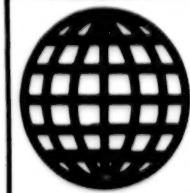


JPRS-EER-92-167
11 December 1992



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JPBS-EER-92-167

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Parties Use, Misuse of Nationalist Appeals

93BA02354 Sofia Z DRA in Bulgarian 27 Oct 92 p 62

[Article by Todor Petrov: "Nationalism as a Tactic"]

[Text] The view from above and afar seems to show that total political and ideological chaos has broken loose in Bulgaria. Especially as regards the ethnic question, political forces have begun to change their theoretical positions and practical actions at breakneck speed. One gets the impression that, to make the DPS [Movement for Rights and Freedoms] look bad, the SDS [Union of Democratic Forces] has launched openly anti-Turkish and nationalist-slanted terminology into circulation for propaganda purposes. The BSP [Bulgarian Socialist Party], in order to strike a blow at its conservative opponent, has so to speak immediately begun to dance with the DPS, and part of the nonparliamentary opposition has also begun to flirt with Medi Doganov. And while the DPS has not changed its political line at all and is unwaveringly pursuing its ultimate goal, the Bulgarian parties and coalitions continue their tactical slaloms, the final result of which will be to discredit them for good.

The SDS at the Crossroads

The situation of the SDS today is a very curious and delicate one. Three years ago the SDS appeared and developed with the earmarks of a movement for protection of laws, and later it grew into a coalition. Under the pressure and control of the United States, the SDS applied the tactical concept of protection of the Turkish minority. This tactic gained it a good image abroad and was the basis of its activities in the Grand National Assembly. Up to the beginning of September 1992 the tactic of alliance with the DPS at first glance kept the SDS firmly in power. The illusion has now been dispelled and at the moment it is the DPS, not the SDS, that is successfully applying its tactic of breaking the spirit of the SDS, and accordingly the government, and is working it for what it is worth. As a result, and like lightning from a clear blue sky, there have come the highly patriotic words of the conservative right-wing bosses.

Mikhail Nedelchev and Aleksandur Yordanov defined the DPS as a dark Asiatic force that by building mosques seeks to destroy Orthodoxy. The Pride of Tara chimed in, accusing the DPS of being an ethnic party, and docent Ivan Kalchev, who has written a hundred articles praising Medi Doganov, is openly trying to have the DPS banned. Filip Kenedi-Moysey has stated that the DPS is working against Bulgaria and that its supporters are persons of low intellect. SDS leaders have indirectly intimated that the DPS deputies are former informers through their effort to have the files opened.

From the formal viewpoint, all these two-year-old assertions are at the root of true Bulgarian patriotism. But does this mean that we should declare the SDS to be nationalist and applaud it? Up to the present the SDS has always been inconsistent and unpredictable. Consequently, even if these statements are transformed into temporary policy, our doubt concerning the existence of tactical subterfuges will persist.

The BSP Back and Forth

The BSP has not regarded, and does not regard, the DPS in any other way than as an ethnic party serving the interests of the BSP itself, along with those of the current situation. First of all the BCP [Bulgarian Communist Party] organized the great excursion and gained Bulgarians in the mixed regions. Later the BCP restored the names of the Turks but again reaped dividends from the spontaneous movement of the Bulgarians to protect their ethnic interests. Shortly afterward, the BSP registered the DPS as a political party and then a short time later began a fight against this ethnic party in the name of Bulgaria. These moves within the space of six months were a brilliant tactic from the partisan viewpoint. They allowed the BSP to engage in a high degree of nationalist agitation resulting in considerable success in the 1991-92 parliamentary and presidential elections. This tactic, brilliant for the BSP itself, led on a national scale to establishment of the DPS as a decisive political force in Bulgaria. The young BSP leaders of today have apparently discontinued this false situational tactic, but now we see people such as Chavdar Kyuranov again getting ready to collaborate tactically with the DPS. The BSP had two options in the Savov affair. One was to bribe the DPS and realize its party interests, and the other was to support the SDS and Savov, whereby the DPS could be isolated for good in the National Assembly. The BSP chose the first option, with Savov losing his post, but the importance of the DPS in the government administration increased even more. A brilliant tactic, according to people such as Chavdar Kyuranov, and this sentiment would be echoed by Ahmed Dogan. Only now will a search be conducted to find the roots of the strange intertwining of internationalism and nationalism in the development of the BSP. It can be confidently stated today that the BSP's tactic in the ethnic question no longer serves even its own interests, let alone those of Bulgaria.

Chameleons and Quandaries

The Bulgarians have put on strange coats. Once they were nationalists, then nihilists, and finally both. They got into a political mess again this fall. A large number of the current chameleons were deputies in the Grand National Assembly, where they spoke heart-rending words in support of Medi Doganov and wept over the good Turks tormented by Bulgarian genocide. In 1991 Dogan entered parliament, and the chameleons temporarily became outsiders. They all immediately declared the DPS to be an ethnic religious party and strutted about as patriots of the first order. Was this a matter of conviction or was it pure outsider malice? Bulgarian patriots sincerely hoped that it was conviction, but what we see today is the majority of centrists spreading out their rugs and kneeling again before Medi Doganov. It has even been announced that the DPS has been transformed from an ethnic into a general national party. Is this a tactic or is it conviction? Now we hope again that it is a tactic, but before you know it we find that it is conviction, or more accurately lack of conviction. It is high time for these chameleons to stop their acting as wolves among sheep and to state clearly and definitively their opinion of the DPS. You see, in the coming elections

the electorate will decide that these tacticians of the center are more tacticians than patriots.

At the end of 1992 we found ourselves in a situation not far different from the one in all the other years after 1989. Then and now the DPS has made itself whatever it has wanted to be, while Bulgarian patriotic circles can do nothing because of their disunion and their de facto isolation from real politics. From 1990 to 1992 the BSP pursued a pragmatic nationalist policy, which was of some benefit to Bulgaria even though it served party interests. All other political forces condemned this policy precisely because it was pursued by the BSP. Today, at the end of 1992, the SDS is making itself a nationalist force with the old partisan themes of the BSP. All others are again condemning the conservative right-wing nationalism because it is conservative and not something else.

It is finally time to come to an understanding. Rather than censure right-wing and left-wing nationalism, we should consider nationalism apart from its rightward or leftward tilt. It would of course be best for nationalism to be symbolized by the national tricolor, because the party banners usually dishonor it. But what are we to do, being Bulgarians? Instead of boasting that someone is a greater nationalist than someone else, or unmasking false nationalists, it is time for us all to find common ground on at least two matters, removal of the DPS from its positions of power and a lasting foreign policy serving the interests of Bulgaria.

Ludzhev, SDS Colleagues Form Group of 12

Goals of G-12

93BA0224A Sofia 168 CHASA in Bulgarian
10 Nov 92 p 24

[Unattributed report on the formation of the B-12: "The Ludzhev Group Was Born To Oppose Totalitarianism in the SDS"]

[Text] *B-12 is a symptom that democracy is still colored blue.*

The return of Dimitur Ludzhev to parliament confirmed the suspected regrouping of the SDS [Union of Democratic Forces] parliamentary group. Eleven people form the blue parliamentary group rallied around the former minister of defense. They called themselves the B-12. Some of them include the founders of the New Policy Center within the SDS, which rallied noted economic experts and politicians within and outside the coalition.

The first proof of realism in their assessments was the memorandum entitled "Pragmatism, Partnership, Privatization, and Decency Is the New Face of the SDS." It was submitted to the National Assembly deputies in October. Shortly afterwards the B-12 made itself heard with a declaration to the Bulgarian Government, which was read in parliament prior to the vote of confidence in Filip Dimitrov.

The B-12 group shook up the monolithic unity of the right-wing segment in the parliament. This may not be liked by some, but the clash of opinions not only among

the different parliamentary groups but also within them gives hope that the legislative branch will be working more efficiently.

Furthermore, B-12 expressed the view that the resolutions of the SDS must be adopted not by the National Coordinating Council but by the parliamentary group. That was why few deputies from this faction participated in the national political conference, which was held Wednesday. Qualified as a demonstration, this act of disagreement with the totalitarian governing methods imposed by the leadership of the blue coalition promises a conflict between the two power centers within the SDS.

Following are the abridged texts of the B-12 memorandum and declaration.

Memorandum

93BA0224B Sofia 168 CHASA in Bulgarian
10 Nov 92 p 24

[Excerpts from the 1992 memorandum: "In Order Not To Perish, the Blue Coalition Needs a New Face"]

[Text] *The B-12 memorandum points out that communism will not go away as long as the centralized state continues to govern society.*

The SDS [Union of Democratic Forces] government is not a group of technicians whose purpose is to prepare for and hold the new elections. The SDS government was elected to implement the SDS program. The implementation of this program is the criterion on the basis of which our activities must be judged.

The crisis in the implementation of the SDS program, which was already perceived in May, is today obvious. It neither can nor must be concealed.

The implementation of the second—institutional and structural—stage of the economic reform was delayed substantially. This is the direct result of the short- and long-term strategy of priorities in the period of transition and the absence of a governmental program. It would be a dangerous illusion to think that the conversion to democracy could be accomplished without privatization.

Fatigue from the reform and from the disparity between the expectations of the people and the actual course of changes are becoming an increasing factor in political life. All of this is piling up on the back of the SDS.

The aspiration of the executive branch to monopolize political decision making, the effort at reducing the parliamentary group to the status of the government's bodyguard, mindless attacks mounted against the president, and confrontations with local administrations are merely part of the dimensions of that crisis. Yet it is being said that all of this is taking place in the name of the SDS.

A dangerous trend is appearing that the SDS National Coordinating Council or at least part of it may become the only real center of political decision making. This leads the SDS parliamentary group, the true legitimate representation of the blue electorate, to assume decorative functions. It becomes the hostage of narrow-party and personal

interests and of covert combinations and ambitions of phantom parties not represented in parliament. The SDS provincial structures are becoming isolated, and the people who were largely responsible for winning the last elections are pulling out.

These processes are the logical result of the administrative approach that was selected for the implementation of the reform. The delay in the process of developing new market institutions and independent and true market subjects naturally leads to the preservation of the postcommunist state structures and to increasingly aggressive mafia formations. The insane belief that the state apparatus will save us from communism leads to the adoption of a mafia style in our economic and political life.

Virtually any quota for granting or approving financial or commercial operations or investments already has its set price, and the sums asked are truly colossal. This is what implementing the "reform" "from above" means, the "above" referring to a very small group of people.

A change of the system does not mean replacing the former people with "our" people. Retaining the old legal base and administrative structure leads to the accumulation of uncontrolled power in the hands of a small circle of "authorized" and ever-more-influential gray cardinals. Political helplessness and the inadequacy of some political leaders and the unlimited power of their top advisers are beginning to convert the public arena into shadow boxing.

A new policy is needed if the trust lost by part of our electorate is to be regained.

The SDS can shape its new face by:

Making the SDS parliamentary group a real center where strategy, state policy, and SDS government are shaped, and where coalition interests are controlled through the increased responsibilities, rights, and the real possibilities of individual deputies;

Securing a broad-based support for the reform through constant dialogue with the trade unions, the representatives of private business, and other influential democratic organizations;

Implementing a balanced policy for the protection of national industry and attracting foreign investments, while continuing to rely more on our own forces than on outside financial institutions;

Concluding a political agreement with the DPS [Movement for Rights and Freedoms], which is our natural ally, and involving other political forces on the basis of the SDS program;

Surmounting the suicidal confrontation among institutions and ending the unseemly campaign waged against the president.

Our people will never again allow the communists to run the country. However, until we have created a modern state that will help and serve the economic life of the citizens, our society will continue to be poisoned by communism.

The new face of the SDS implies the following:

Pragmatism in implementing the SDS program;

Privatization, leading to the creation of a broad and strong middle class, achieving economic prosperity, and protecting the interests of all Bulgarian citizens;

Partnership as a means of achieving consensus;

Decency and morality in public life.

Declaration

93BA0224C Sofia 168 CHAS4 in Bulgarian
10 Nov 92 p 24

[Excerpt from the declaration of the B-12 read in parliament in voting confidence for the Filip Dimitrov government: "Bulgaria Still Has a Chance"]

[Text] *A decisive and competent government will accelerate the reform and reduce the influence of the BSP [Bulgarian Socialist Party].*

The SDS [Union of Democratic Forces] program today has no options, and the SDS can and must fulfill its role of main booster of change in the system and progress toward democracy. We are convinced of the fact that Bulgaria needs the following:

An SDS government that must decisively and competently implement the SDS program for decommunization and for developing the institutions of a civil society and a market economy;

An SDS government that must block the processes of development of a new financial-administrative oligarchy and the transformation of the former political and economic nomenclature into a new propertied class;

An SDS government that must accelerate the process of converting the state into private and municipal property and property owned by other public institutions, and safeguarding the interests and the right to ownership of millions of Bulgarians;

An SDS government that must pursue a policy of all-around assistance to the private sector and, in particular, to small business, shape the class of small and medium-sized entrepreneurs in town and country, and act as a guarantor of democracy and economic stabilization;

An SDS government that must stop production decline and provide an opportunity to state and obshchina enterprises by balancing a pragmatic policy of protecting promising national capacities and attracting foreign investments;

An SDS government that will introduce order in and modernize public administration and economic management, the social insurance system, the Army, the police, and the other institutions that ensure the citizens' safety;

An SDS government that will protect the rights of all citizens from the arbitrariness of the bureaucracy, from party, and trade-union interventions, corruption, and

crime; a government that will seek ways to limit unemployment and the emigration of thousands of young people;

An SDS government that will work to control the processes of social differentiation in favor of the weaker social strata, to the extent to which the individual motivations of the citizens offer guaranteed support of the reform;

An SDS government that will strive to obtain the most sincere support of its actions by the trade unions, the democratic and anticommunist organizations, and the majority of the population.

The implementation of the SDS program and the success of the reform are the first prerequisite for communism to leave this country and for the BSP and all left-wing alternatives to lose their influence. We believe that this can be accomplished with a new policy and substantial changes and professionalism on the part of the SDS management.

Signed by:

Asen Michkovski, Atanas Mateev, Valentin Karabashev, Georgi Kostov, Gospodin Atanasov, Dimitur Ludzhev, Emil Zachev, Margarit Minkov, Marin Marinov, Stefan Bozhilov, Stefan Karadimov, and Khristo Todorov.

Development, Role of Foundations Examined

93BA0234A Sofia VEK 21 in Bulgarian 4 Nov 92 p 7

[Article by Miroslava Kortenska: "Civilization Misunderstood: Foundations Bulgarian Style"]

[Text] When the bottle forcibly inhabited by the spirit Bulgaria for nearly 45 years, which was closed long ago and carefully kept closed, was opened, no one had any idea what improbable things would burst out of it. Now, after the foam and the excitement, we have sobered up somewhat and simply feel that the old wine has not all drained out. The enthusiasm for winning new territories in a life of freedom has been oddly mixed with the most bitter taste of the aged extract of past life. And so there pop up before us nice Balkan pictures, new versions of the well-known misunderstood cultivation. The very pronunciation of the word foundation is a graphic example of this phenomenon in our life. It evokes in everyone's mind images of scandalous money laundering and authorities, a screen for rapid printing of millions outside the authority of the laws of the land, improper mixing of new forms with old ways. Charity has been transformed into cynicism, and our intelligentsia has become entangled in humiliating manipulations. For the time being the so-called third sector is in vogue, but the government and business still abandon it as modern parents do one of their infant children, each blaming the other for its existence in its glaringly unattractive form. The reason is that no mechanism and no legal basis have yet been devised to check the desecration of the foundations. Lawmaking is clearly lagging behind the stormy realities of life. Now an attempt is being made to restrain the foundations with legislation, but is this a harbinger of the coming bankruptcy of the third sector?

In addition to the commercialization of the foundations, another no less alarming trend is rapidly emerging: duplication of the third sector by the government and subjugation of its institutions. One of the stable foundations, the Evrika, which draws up programs for training of a scientific and technical intelligentsia and generates projects in the area of technical innovation, has been threatened with subjection to the goals of the Ministry of Science and Education. The foreign art gallery of the Saints Cyril and Methodius Foundation is not to change its status and remains under the direction of the Ministry of Culture, and very often at the end of announcements of exhibits by this ministry we read that the Open Society Foundation is a sponsor. We would probably object if government funds invested in these foundations were involved, and it would be natural for the foundations to be controlled by the government's goals. In the civilized world as well there are foundations established by and serving the aims of the government, but they do not define the goals of the third sector. As is always the case in our country, anything new never appears in its pure form, because the third sector is not a crutch for the government but a challenge, new ideas for development of culture, of all intellectual life.

Bulgaria is a poor country, but one with great intellectual and creative potential. Adoption of the U.S. model (or in general the model of economically rich countries) is not to take place literally and everywhere in Bulgaria. The statement to the effect that a foundation represents monetary resources for a specific purpose may be valid for funds or stipends that come from abroad and are distributed in Bulgaria by the Open Society or Saints Cyril and Methodius foundations. A model of a different type might be more suitable for Bulgarian conditions, that of foundations as brain trusts that generate projects and programs and then acquire sponsors for them, both at home and abroad. In this way the foundations are not converted to administrative nuclei following the path of the money to their goal as determined by the donor but represent dreams that it would be attractive to sponsor. This would promote creativity, Bulgarian thinking and creativity. This would establish equality of footing and dialogue between the contribution of foreign ideas, models, experience, and culture and native innovations in the intellectual sphere. The opening up to Europe and the world requires preservation of our cultural identity and keeping the Bulgarian intelligentsia at a level on which competition is possible.

It is precisely for this reason that I regard the letter written by composer Marin Goleminov to the Open Society Foundation an alarm signal. The foundation did not even inform him of its refusal to sponsor one of his new works. Aside from my personal impressions of the persons working in this prestigious organization, this letter was to me a signal of danger. The personnel of the foundation should clearly make the handbook they themselves publish, *Who Is Who in Bulgarian Culture*, one of their permanent reference works. Figures such as Goleminov can create an image for a foundation, but the reverse is not true. We are unfortunately faced with a large administrative apparatus working with modern technology and information but not with professionals whose decisions or

rejections are based on some judgment and selectivity. For instance, the foundation sponsors only experimental works or others at their discretion. I say this because I have learned from colleagues that this same foundation and its directors have distributed, in equal slices as it were, 30,000 leva for books, magazines, and newspapers. Here we come up against an outmoded principle in culture, that of equal division among creative artists to give all an equal opportunity. This is a principle still applied by the Ministry of Culture to maintain social calm among people in the theater, music, and other collective arts. I do not believe that a foundation can or should repeat such principles, such qualitative criteria, that it should repeat the models set up by the government. It would be more normal to cultivate and impose personalities, launch innovations, strive against the current.

The Bulgar has always taken from lightly laden pocket and given his mite for publication of a book, building of a church, helping a gifted person learn. This broad civic base of charity is greatly needed today. I am certain that rehabilitation of the self-esteem of our intelligentsia, giving the Bulgarian model in the third sector a chance, rather than merely copying from the rich civilized world, is the trail to be blazed for the existence of foundations in Bulgaria. Disregard of these problems today carries with it the threat of future bankruptcy of the third sector in our country. What is especially alarming is that the law in preparation links together what are already known to be

transgressions in the third sector, causing its commercialization, and at the same time destroys the prospects of the sector by freeing it from concern for the Bulgarian model. In order for a foundation to be reregistered under this new law, it will have to have no less than 1 million leva. Even in rich countries this minimum is no higher than the equivalent of 100,000 leva. In effect, then, the status of speculator foundations, of foundations that have merged with the government, and ones that have foreign sponsorship, is confirmed. After all, who in Bulgaria above all can acquire a charity fund of 1 million leva? The law, which ignores the realities in the country, will not aid the third sector and its independence from business and the government. What it will do is entangle our intelligentsia in the charade of finding cultural activities for this money. Speculators will develop intellectual activities and aid intellectuals. The new law encourages this. And afterwards we will wonder why our intelligentsia have become so distant and withdrawn.

There is the other model in the third sector that will flourish if this law becomes a fact. Minds will be worn out, talented young Bulgarians will be tapped on the shoulder and ready-made intellectual nourishment will be injected into them. The situation is somewhat like that in a banana republic, is it not? But investments from abroad are used for this purpose. The reason is that attention is not paid along with foreign experience and models to the Bulgarian realities of the moment, to the survival of our cultural identity. How long will this continue?

Carnogursky on Politics, Slovak-Polish Relations
*93CH0106A Krakow TYGODNIK POWSZECHNY
 in Polish 25 Oct 92 p 4*

[Interview with Jan Carnogursky, former prime minister of Slovakia, by Robert Reinfuss and Artur Wolek; place and date not given: "Five Minutes to Midnight"]

[TYGODNIK POWSZECHNY] Is the breakup of the Czechoslovak federation sealed?

[Carnogursky] Nothing has been committed yet, and no law on the breakup of the federation has been approved, but everything seems to indicate that the case is already politically resolved. The parties that won the last election, both in the Czech Republic and Slovakia, do not show a willingness to keep the common state.

[TYGODNIK POWSZECHNY] Isn't what is happening now in Czechoslovakia a huge betrayal of the citizens? After all, not one of the serious political parties came to the election with a program of dissolution of the federation.

[Carnogursky] The matter is not in words, though one can describe things this way. The process of the country's breakup is happening in the following order: The party that won the election in Slovakia, Movement for a Democratic Slovakia [HZDS], campaigned with a program for confederation, although it was clear that, after the events of the past two years, there will be no second partner. When, after the election, it turned out that confederation is impossible, a choice arose: either stay with the old federation or move toward a full breakup of the country. The HZDS chose the second alternative. This happened under pressure from the Civic Democratic Party, the winner of the election in the Czech Republic, which did not even allow other solutions.

[TYGODNIK POWSZECHNY] There are therefore no significant forces in Slovakia that would want the preservation of the Czechoslovak Republic?

[Carnogursky] Indeed, the political forces that want to keep the common state at any price are very weak. The parties that want to keep the federation, but with better rights for Slovakia, are quite strong. But, in a situation where the Czech side gives two options, either the old federation or breakup, these parties do not have any chance for success. It is a fact that, while the winning HZDS did not have the dissolution of Czechoslovakia in its program, it does not show any initiative toward keeping the common state.

[TYGODNIK POWSZECHNY] Would it not be better if the citizens presented their views in a referendum? This was a postulate of President Havel. Public opinion polls also show that supporters of the breakup are in a minority.

[Carnogursky] My party, the Christian Democratic Movement [KDH], also demands a referendum. It would be the best solution. The problem is that, even if the concept of a common country won, the dispute over the position of the two republics would still go on.

[TYGODNIK POWSZECHNY] How, in your opinion, will Slovakia look after 1 January 1993? Do you think some things will really change?

[Carnogursky] After 1 January, there will be an independent Slovak Republic. It will still be connected in many ways with the Czech Republic, but, from the first weeks and months, those ties will loosen in such a way that both the Czech and the Slovak Republics will start new, independent lives. I suppose change will come at the price of great losses, especially on the part of Slovakia.

[TYGODNIK POWSZECHNY] What will happen to the Slovak economy, so closely connected with the Czech Republic?

[Carnogursky] In both republics, there will be strong pressure to preserve those ties, and I believe they will be kept for some time but will systematically loosen. But, no matter what, the process of disintegration of old ties will be much faster than that of making new contacts with the European Community or with the Vysehrad Group.

[TYGODNIK POWSZECHNY] Is some type of economic union between the Czech Republic and the Slovaks possible?

[Carnogursky] The new Meciar government has an idea that we should sign as many bilateral contracts as possible and, in this way, keep a special position on the partner's market. But I think both governments have such different views on economic issues that any close ties cannot be preserved.

[TYGODNIK POWSZECHNY] Does Meciar's government have a program to bring the Slovak economy to life in the new independent country? Is there a Slovak Klaus?

[Carnogursky] No, the government has no such program.

[TYGODNIK POWSZECHNY] How will cooperation with the members of the former Vysehrad Triangle be after 1 January?

[Carnogursky] Slovakia is very interested in the development of cooperation within the Vysehrad Group. Independent Slovakia will be forced into this, for economic reasons, more than was Slovakia within the Czechoslovak Republic. I see some danger in the fact that the Czech Republic might not be sufficiently willing to continue cooperation within the Group of Four, and, in that case, Hungary would probably also resign. If that happens, I think Poland and Slovakia will still cooperate. It is a geopolitical necessity for Slovakia and will exist no matter who actually rules our countries.

[TYGODNIK POWSZECHNY] In your opinion, does the problem of a Slovak minority in Poland exist, or is it only a creation of politicians and journalists?

[Carnogursky] The problem does exist because there is a Slovak minority in Poland, and, where there is a minority, there are always problems with education, culture, newspapers, and so forth. The conflict cannot be solved by writing sensational articles and inflaming quarrels. On the contrary, we should look for solutions peacefully. For example, this year, Mass in the Slovak language was introduced in the churches of some counties in Spisz and Orawa. There is a problem with teaching the Slovak language and establishing Slovak schools. That problem

should be solved by negotiations between our governments, with participation of minority representatives. I am convinced that in that way all of the problems can be solved.

[TYGODNIK POWSZECHNY] What is the situation of 450,000 Hungarians, which is about 10 percent of the population, in Slovakia? Are the demands for autonomy another destabilizing factor in the new state?

[Carnogursky] I have no doubt that it will be an inflammatory point. The Hungarian minority has rights on the level of European standards. It has hundreds of schools and cultural centers and journals. It is possible that, in independent Slovakia, whose geopolitical importance will be less significant than that of united Czechoslovakia, Hungarians will want more rights than they now have. For Slovakia, it would be no problem to secure cultural or educational autonomy for the Hungarian minority because, in fact, they already have it. For Slovakia, the postulate for territorial autonomy for Hungarians is absolutely impossible to accept. The Hungarians live on ethnically mixed territory, and, as a result of the autonomy, their Slovak neighbors would be deprived of their nationality.

[TYGODNIK POWSZECHNY] Can the Hungarian card be played by some political forces in Slovakia?

[Carnogursky] Yes, under the name of defense against Hungarian demands, democratic rights could be limited. I think the HZDS is closest to that.

[TYGODNIK POWSZECHNY] How did it happen that the 1989 heroes, Public Against Violence [VPN] and your party, lost the election by so much?

[Carnogursky] The process of coming from communism to democracy, and from a planned economy to the free market economy, is very difficult. The KDH and the VPN had political power, and both suffered the consequences. The second reason is that we avoided demagogery, both national and social. One cannot say the same thing about the HZDS.

[TYGODNIK POWSZECHNY] Isn't there some deeper process, that, in the whole postcommunist Eastern bloc, societies have given a vote of no-confidence to postrevolutionary elites like New Forum in the former East Germany, the Dienstbier party in the Czech Republic, and Solidarity in Poland?

[Carnogursky] History teaches us that those who start revolutions rarely finish them. There is probably some rule here, but not necessarily one connected with only the transition period from communism to democracy.

[TYGODNIK POWSZECHNY] What are the reasons for this?

[Carnogursky] The main reason is probably that, during the transition period, the people lost the world they knew. We talk about the future, but it seems to be so far away and unreal. The parties that won the election in Slovakia think differently. They promise ordinary people that they will get something they always knew and wanted. For example,

the HZDS promised that independent Slovakia will have a much better economy than it does now.

[TYGODNIK POWSZECHNY] What influence did the lustration have on the changes in Slovak elites and society?

[Carnogursky] On one hand, it is good to dispense justice to the collaborators of the secret police, but, when the defendant does not have any rights to defend himself, as has been so in our state, it has a negative effect on society. I do not think the lustration really affected the post-November elites that much. No one from the significant dissidents was accused during the lustration.

[TYGODNIK POWSZECHNY] What was the connection between the defeat of the November revolution parties and the fact that, for example, the leader of the VPN, Fedor Gal, is Jewish? Is anti-Semitism in Slovakia an element of the political game?

[Carnogursky] In Slovakia, it has never come to open manifestations of anti-Semitism as in, for example, Poland or Hungary. During no demonstrations were anti-Semitic slogans used. No political party uses anti-Semitic rhetoric, in contrast to what is currently happening in Hungary. I think anti-Semitism does not play a significant political role in Slovakia.

[TYGODNIK POWSZECHNY] Thank you very much for the interview.

Prospects for Relations in National Council

93CH0104A Bratislava SLOBODNY PIATOK
in Slovak 6 Nov 92 p 6

[Article by Rastislav Toth: "New Conflicts—New Groupings"]

[Text] We have become accustomed to the fact that the ruling party in Slovakia holds almost half of the seats, the silent coalition a fourth, and, somewhere in the back, there sit a few deputies of the unyielding opposition. This state of affairs is temporary; it will last only until New Year 1993. Why?

Old Disputes End, New Ones Begin

The main controversy in the 1992 elections was the question of Slovakia's statehood. After the creation of two sovereign states, this controversy will become, at least for a certain time, unfounded. But, at the same time, there will emerge three new areas of contention: the nature of the national economic development, the effort by all of the social strata to grab as much as possible for themselves, and the political status of the Hungarian minority.

Many people still expect a clear-cut solution, again of the "for all times" kind. It is an expression of the inability to understand the pluralism of political life. However, in the parliament, different parties will be pushing different solutions; in fact, I believe that, very quickly, differences will develop even among the ambitious personalities of the various parties.

Watch Out for the HZDS and the SNS

There are two reasons for that: The HZDS [Movement for a Democratic Slovakia] is a composite of various currents, and, in addition, it has capable and ambitious politicians on the "federal level," who could find themselves in year one "at liberty," which would be a pity. Prime Minister Meciar has been concentrating thus far on negotiations with the Czech Government, which can no longer be the predominant concern under conditions of state sovereignty. (It will be necessary to give priority to matters on the domestic scene.) But it could also happen that he will focus his activities on creating conditions on the international level for the existence of the Slovak Republic and will leave domestic relations to the ministries (something on the order of the French presidents).

In any case, it is useful to observe the differences in the thinking and behavior of the HZDS deputies. Their understanding of national priorities in the area of economic and social relations differs. We can observe an emerging right and a left of the social-reformist type.

Another reason is the movement in the Slovak National Party [SNS]. To many, this party looked like the left before the elections. This label was attached to it mainly by the Czech politicians and journalists. The reason? Well, it does look out for social interests, after all. Yes, but whose? In the period between elections, the SNS attacked the high rate of unemployment and the decline of the Slovak economy—however, not from the social but from the national standpoint.

To associate the national parties with the left is sheer nonsense because the main priorities of these parties are traditional values, such as the nation, the family, private ownership, as well as the spiritual sphere, which, in the interpretation of many SNS leaders, is presented as emphasis on religion (as if they did not realize that undue emphasis on religious humility weakened the Christian Democratic Movement [KDH] and prevented even the Slovak Christian Democratic Movement [SKDH] from catching fire). That is how the SNS was understood by its followers, as well; they wanted to have it right of center.

To realize the main political objective of the SNS—state sovereignty of Slovakia—the time has come for this party to begin acting like a real national party—that is, to work out, at last, its own strong economic program, reduce its social orientation, and redefine its political priorities. The first step in that direction was the change in the leadership of the party—the liberal J. Prokes was replaced by the economist L. Cernak. Obviously, the SNS will shortly present its own economic program, which should differ from the HZDS program. It will suit those of its leaders who share the SNS way of thinking.

From the above, it can be deduced that the SNS and a part of the HZDS, which may not even realize that it is rightist (that appellation is not an insult), will draw closer together.

Fate of the HZDS and Its Leader

The differentiation of the HZDS is, on the whole, natural. It is not a breakup, a disintegration, but a reaction to the

new state setup. In this connection, another fact should be noted. The difference between both wings of the movement can be demonstrated also by the fact that the social-reformist wing tends toward federalism (fundamentally different from the unitarism of the leaders of the former Public Against Violence [VPN]), and the rightist wing has its priorities in the economy, the nation, and Christianity. Because in the HZDS there are many able professionals as well as ambitious politicians, that movement could become the basis for a new party structure in Slovakia. Let us remember that the VPN also was the basis for the current structure of the parties. From it came not only the HZDS, but also the Christian Democrats (all three parts) and the Hungarian Nationalists, and even the Social Democrats originally (according to B. Zal) wanted to be part of the VPN.

What will Vladimir Meciar do in this situation? Personally, he does not link himself to any of the currents. He is a typical political pragmatist or a pragmatic politician. His basic stance is "political leader." As such, he appears usable in any situation. But he also made a number of enemies. Many ambitious politicians of the smaller parties can hardly wait to take his place. He can even share the fate of Vaclav Havel—a widely respected private person.

V. Meciar could serve as a point of departure for the creation of a "government of professionals" or bureaucrats, and, if the currents in the HZDS really part company, he will have to take a stand on the matter. The important point is that, at present, Vladimir Meciar enjoys twice as much confidence among citizens than the entire Movement for a Democratic Slovakia put together.

Whipping Boys on the Horizon

The KDH and the Hungarian parties unwisely put themselves in the position of critics of everything that originates with the government. Some Hungarian deputies realized how impractical that stance is and are trying to mitigate it by abstaining from voting. However, after the creation of a new constellation in the Slovak parliament, one more "unloved child" may join them—the Party of the Democratic Left [SDL]. The right does not need that party, and it is possible that, after the new division, it will have a majority in the parliament. The social-reformist left could look for an ally in the SDL, but that would make it an unacceptable part of the parliament for the right.

The SDL is being pulled to the social democratic field by some of its leaders. A good many of its members see in this step a chance to get into positions of power. But it is only a matter of time before the SNS and the right wing of the HZDS clearly declare their unwillingness to cooperate with Weiss's people. It is not a matter of ideological stance but, mainly, of political pragmatism. In politics, there are various twists and turns, and nowhere in Europe does "sincere" cooperation between conservatives and social democrats exist.

The above-mentioned situation could cause the Hungarians and Weiss's people to find themselves in the position

of whipping boys, who could be joined by the Carnogursky group if, in the new situation, it does not move closer to the SNS.

The political spectrum in Slovakia is widely varied. As the chairman of the SKDH, Jan Klepac, said, it would be useful if the number of parties were reduced more significantly, but, for that, the personal animosities among their leaders would have to cease. Is it at all possible today to overcome so much hubris? Probably not.

What Happens After New Year?

One more rather significant phenomenon can be expected in Slovak political life: trade unions. Thus far, the government has been talking with them, even though they enjoy less respect among citizens than does the governing party. The participation of the former trade union leader Roman Kovac in the government is essentially an acknowledged social democratic step. But the new distribution of power in the parliament obviously will not be as favorable to the trade unions as to the present government. How will the trade union leaders act in a situation where the right really does get the power in the National Council of the Slovak Republic? Will the social rapprochement be over? The issue of economic stability and international relations (in relation to the Czech Republic, as well) could become the flash point in politics.

In any case, the present alliances will develop cracks as a result of the necessity to react to the new state setup and economic situation.

Democratic Party Consultant on Slovakia's Future
93CH0103A Bratislava *SLOBODNY PIATOK* in Slovak
6 Nov 92 p 4

[Interview with Andrew J. Valuchek, consultant to President-Elect Clinton, by Juraj Alner; place and date not given: "Let Us Have No Illusions"]

[Text] Andrew J. Valuchek's father came to the United States in 1906. He worked in the mines and moved in a strongly Slovak environment. At home, Slovak was spoken; Andrew's mother never learned English. Father was one of the founders of a miners' union and lost his life during a strike. He took an active part in his fellow countrymen's life, and, when T.G. Masaryk went to the United States, he was one of those who helped him there to push for the idea of a Czechoslovakia. On 18 October 1918, father took the seven-year-old Andrew to Philadelphia, where he took part in the signing of the Declaration of Czechoslovakia's Independence as one of the thousands present. After completing his studies, Andrew went to New York, where he took part in the work of many fellow countrymen's institutions. In 1935, he became the leader of Sokol. Eventually, he also became involved on the U.S. political scene as a member of the Democratic Party and worked for several U.S. Presidents. Today he is a member of the parliament's Presidium, concerned mainly with foreign affairs. He is a member of Clinton's staff and, in the event of his victory, is likely to become an adviser to the U.S. President.

[Alner] In Slovakia, Masaryk was criticized for never putting into effect the autonomy that had been proclaimed.

[Valuchek] That came much later. One ought not to forget that, in the first stage, the issue was the breakup of Austria-Hungary. The prevailing view in the United States was that, although the monarchy was an enemy country, it should not break up into small countries liable to feud among themselves. Our countrymen played a large role in persuading the U.S. public that Czechoslovakia would exist as a unified state. They also supported Masaryk's actions with a \$1 million collection. The close relationship between our countrymen and Masaryk contributed to the U.S. Government's recognition of the founding of the CSR [Czechoslovak Republic]

[Alner] Andrej Hlinka, the advocate of autonomism, went to the United States later. He also met with you.

[Valuchek] I spent a great deal of time with him. Let me emphasize that he never talked about a separation of Czechs and Slovaks. No one in the United States objected to his demand for autonomy.

[Alner] There is the view that the birth of the CSR was the result of the breakup of Austria-Hungary and that, in the present situation, there is no reason for continued existence of this common state.

[Valuchek] That is not true. One of the conditions of President Wilson and other politicians to liquidate the monarchy was the creation of the CSR. That is a concept the United States adheres to also at present. Do not forget that the United States neither participated in the Munich Agreement nor has ever judged it positively. It never desired a breakup of the CSR. The present situation causes concern in the United States. It seems that the current state of affairs ought to be used by your politicians to improve economic conditions rather than to divide up what they still possess.

[Alner] If Clinton wins, you will probably become one of his advisers. How will you present the Czechoslovak position?

[Valuchek] I favor preservation of the common state. There are different views on what Czechoslovakia should look like in the future. A division will have untoward consequences. Slovakia has many adversaries in the United States. There are Hungarian Americans here lobbying U.S. politicians to do something for the 600,000 Hungarians in Slovakia.

[Alner] The new Slovak Constitution provides a framework also for resolving the issue of minority rights. That ought to supply an argument for countering unfavorable voices.

[Valuchek] Hungarians in Slovakia are dissatisfied. There is also another unfavorable aspect. Laws against former Nazis and communists were discarded. Americans ask what is going on. Do you want to forget what the communists did in your country?

[Alner] You brought up the activities of Hungarian emigres. But the Hungarian diplomacy has not taken up this position.

[Valuchek] Not officially. Recently, there was in Budapest a congress of Hungarians living abroad. You know the kind of statements that were made there. That trend will continue. Slovakia will be surrounded by countries that may not necessarily be friendly: Hungary, Poland, Ukraine. It will be a difficult situation. All may also try to take advantage of the poor state of the Slovak economy.

[Alner] Isn't that negative view one-sided?

[Valuchek] I receive daily extensive and detailed reports on CSFR developments, which are not prepossessed. Statements of politicians and radio, TV, and press surveys.

[Alner] The election campaign in the United States focuses on domestic policy. Foreign policy currently plays no role, or at least no substantial role, in my opinion.

[Valuchek] We Democrats recognize that Bush was very successful in foreign policy. But he neglected domestic policies, and, therefore, the situation became worse, especially in the economy. Unemployment is rising, and that, too, is something for which the President must bear responsibility.

[Alner] The U.S. Government reacted belatedly to the events in Yugoslavia; it recognized Croatia only after Germany did so. So, evidently, it will have a belated reaction to developments in Czecho-Slovakia.

[Valuchek] Today no one knows what the United States position will be following a division of the CSFR. It depends on a multitude of circumstances. Yes, if Germany had not recognized Croatia, the United States would not have rushed the matter. Now the question is whether Slovak politicians have some sort of agreement with Germany. The fact is that Germany is beginning to have problems of its own.

[Alner] The Slovak Government is ever more intensively conducting talks with foreign partners. That helps clear up problems.

[Valuchek] About a month ago, spokesmen for Meciar's government paid me a visit. I warned them of pitfalls. Yet, back home, they presented the visit only in a positive light. I was surprised at how optimistic they were in regard to foreign support.

[Alner] Does that mean they misjudged the results of their talks here?

[Valuchek] Not only that, but they also rely on the support of Slovak Americans. They might as well forget about that.

[Alner] Is it because they are short of money or disinterested?

[Valuchek] Those who favor a common state are dispirited. Those favoring an independent Slovakia are willing to raise major funds for religious purposes but not for national ones. That is something the present Slovak Government must take into account.

[Alner] Reagan, by applying strong political and military pressure, substantially accelerated the collapse of the Soviet Union and, thereby, of the entire system. But Bush is focusing much less on that area. The initiative in Central and eastern Europe is shifting to the European Communities, Germany...

[Valuchek] That is a correct view. The United States wanted to prevent a third world war and did not wish to see communism endure. Reagan went to the extreme. All of that is history. Now the time has come to take charge of the U.S. economy and pay back the huge debt incurred in connection with those activities. Japan and Germany took advantage of the situation when they did not have to raise funds for armaments. That is a temporary situation. The United States has problems with oil and, therefore, had to intervene in the Persian Gulf.

[Alner] So the United States has surrendered initiative in Central Europe?

[Valuchek] No. It also has a strong ally in John Major. As you know, he visited both Prague and Bratislava. He warned Slovaks against separating from Czechs. His views will be accepted by the United States regardless of whether Clinton or Bush wins.

[Alner] Slovak as well as Czech politicians are paying visits to Washington.

[Valuchek] For our politicians, those are mainly courtesy visits. Americans are known for conducting themselves as gentlemen. But that does not mean a thing.

Historical Letter Explains Pittsburgh Agreement 93CH0105B Prague LITERARNI NOVINY in Czech 5 Nov 92 p 2

[Reprint of a letter by T.G. Masaryk, first president of Czechoslovakia, to Andrej Hlinka, chairman of the Slovak People's Party: "From the Book Masaryk, Benes, Hrad, by J. Pechacek"]

[Text] Dear Mr. Hlinka,

I see from your telegram that you are upset, that you are upsetting yourself as well as the voters. Do you perhaps want to publish the telegram, as Machacek did? But the leader of the largest Slovak party must not engage in such petty acts. That is cheap demagoguery.

Yes, I am in favor of a discussion, and that is precisely why I am writing to you. But telegrams of this kind are not discussions. And democracy is not anarchy.

Concerning Tuka: Had he been interested in only autonomy, he could have promoted his idea in the parliament and in meetings. But he kept going abroad and contacting people hostile to our Republic. As early as during the trial, I received a report from England that there, too, he was getting in touch with people of dubious reputation. I will not go into a more detailed analysis of his guilt because, for a like-minded politician, what I am saying here is enough.

I advise you, after having given it serious thought, not to put Tuka on your ballot.

You yourself held it against Dr. Ivanek that he is running for election in a non-Slovak district, but, at the same time, you are committing the same mistake. However, the main thing is for you to wait calmly for the decision of higher authorities. If you recognize higher authorities, what substantive reason have you for not recognizing a lower authority equally? Here, after all, the associate judge was of Hungarian origin.

If you are concerned about order in the Republic and about correct procedure, we shall have a talk after the election and find a solution. If you decide to do what I advise you, you will gain respect at home and everywhere in the Republic. Your demonstrations will not gain you respect.

I follow the situation in Slovakia. I know more about it than you think, and I also know a lot about your people. I am older than you, and that alone gives me the right to talk to you frankly. I liberated Slovakia, and I am no less concerned about it than you are. The road you are following will not lead you to victory. It has been written: "Love is patient"—and politics, which is moral and even Christian, must therefore also be patient. Getting agitated and agitating are not politics worthy of a party leader and a priest, at that.

You yourself once admitted to me that you are demanding autonomy not for now but for the time when Slovaks become politically more mature. If that is so, it should be your concern to see to it that your voters are given information and education in politics. Just take a look at the mistakes you have made with the so-called Pittsburgh Convention. You have had autonomy *de facto* since independence, and now you have achieved all of the stipulations of this convention (actually, an understanding).

However, the main thing is that the document of this understanding is spurious. It is a falsification, not only because people have been adding their signatures to it at later dates, but also, and mainly, because, at the time when U.S. Slovaks were asking for this understanding, the league did not legally exist. It was recognized by the state only in 1919. Therefore, a serious politician, a statesman, cannot and must not operate with such a document. A falsification cannot become a state document.

I could point out to you quite plainly many other details of Ludak politics. It is not possible to do it briefly, but, if you are calling for discussions and democracy, I shall always be ready to discuss with you the entire Slovak problem.

Just one more word. Your agitated and angry attitude toward your opponents (in many cases imaginary) often forces me to think that you do not have a heart, that you have another liver in its place. You are so angry and agitated. Prove that you do have a heart, that you do not feel only hatred toward your opponents (I repeat, in many cases imaginary), but that you love your Slovakia and, therefore, Slovaks and Czechs both, at least a little. Believe me, nothing good and permanent can be built on hatred and anger. That is why Jesus gave the commandment to love, and that applies in politics as well.

T.G. Masaryk (October 1929)

Marian Calfa Becomes Private Businessman

93CH01054 Prague EKONOM in Czech 5 Nov 92 p 11

[Unattributed report: "People and Events"]

[Text] Marian Calfa, former prime minister in the Federal Government, does not intend to return to Slovakia or to politics. In an interview for the daily BLESK, he revealed that, together with former CSFR Minister of Foreign Affairs Baksay and former Czech Minister of Industry Jan Vrba, he is setting up a consulting firm, CTL Consulting Inc., a blue-chip company.

Ethnic Hungarians in Ukraine Count On Budapest

93CH0129A Budapest MAGYAR FORUM
in Hungarian 22 Oct 92 p 7

[Unattributed interview with Sandor Fodo, president of the Cultural Federation of Subcarpathian Hungarians; date and place not given: "Subcarpathian Hungarians Expect Government Action"]

[Text] Hungarians in Subcarpathian have rallied into a single organization: the Cultural Federation of Subcarpathian Hungarians [KMKSZ]. Day after day, KMKSZ President Sandor Fodo and his coworkers hear nerve-wracking news from Budapest, including reports about the dangers the universally popular programs and editors of Hungarian Radio and Hungarian Television are threatened by.

[Fodo] The dangers have indeed become reality—irreversible facts, I would almost say. We have seen how the Vasarnapi Ujsag was transformed into an unassertive and politically proper program after Bela Gyori's release, said Fodo. I do not even want to speak now of the mellow performance of A Het and TV-Hirado.

Until recently, it was Panorama that represented news with both national commitment and world standard to us. The high standards and empathy of Panorama and its staff, hallmarked by editor in chief Alajos Chrudinak, could not be found in Hungarian Television's other programs.

But I also want to say that G. Istvan Palfy, editor of A Het and Hirado, had already discovered us even before the change of regimes in Hungary, and he was the first one to make us realize and understand that, even though history has thrown us into a world empire's pile of booty, public opinion in our mother country is behind us and we are not alone.

The editors who were committed to the nation and to extraordinarily high standards were the first to do justice to the thousands of Subcarpathian Hungarians who were taken away in 1944-45 by the Bolsheviks and were either murdered in the Carpathian Mountains or were destined to perish in distant concentration camps. Those reports from the Hungarian media were historic deeds which not even the most recent TV-presidential despotism can cover up with the veil of forgetfulness or conspiracy of silence.

[MAGYAR FORUM] What should be done?

[Fodo] Words are not enough anymore, the time is gone when anything could be achieved by admonishing this allegedly first-class sociologist but third-class and biased media chief. The TV president is not accountable for his actions and, without doubt, he himself is not the originator of his deeds. But we must say that he who tolerates such absolutism may also be looked upon by 15 million Hungarians as an accomplice.

The administration—first of all its responsible agents and especially the prime minister—must demonstrate what it means to them, and what it should mean to us, when he

says that he is, in spirit, the prime minister of 15 million Hungarians. If those 15 million Hungarians, together with their chief representative, cannot enforce their power and fundamental interests against an arrogant minority, then those 15 million by leaps and bounds are reduced in numbers. Then responsibility will have to be taken for the fact that the assimilation of Hungarians in the Carpathian Basin will accelerate and that the media, camouflaged as being impartial, will flagrantly, and before the eyes of the entire world, accomplish what the communist dictatorships could not accomplish.

[MAGYAR FORUM] It is difficult to speak of the world when those programs, which inform the world, are being terminated and their representatives are pushed aside.

[Fodo] That is precisely one of the things we are afraid of, and with justification, I believe. Some people in Budapest keep talking nonsense about European-ness and about a Central European sense of political balance and equilibrium. We, on the other hand, have known since the infamous period of proletarian internationalism that this only benefits those who want to break and assimilate us.

[MAGYAR FORUM] How can the Hungarian Government help Hungarians who are forced to live as minorities?

[Fodo] We consider it a minimum that our mother country at least protect our interests in the area of the media and not tolerate unlimited power in the hands of those who thwart our endeavors. However, if this region sees that the government is ineffective even in its own media war, then it will not place much value on even the little help that we on this side can expect. In other words, the weakening of government power may go hand in hand with a decrease in our influence and, consequently, in our ability to have a say in the handling of our own affairs. However, we do expect help and support. It would be good if Subcarpathian Hungarians had reason to feel that they are part of the nation of 15 million that considers the head of the Hungarian Government as its prime minister.

Gyula Horn on Hungarian-Romanian Relations

93BA0218A Bucharest ROMANIAI MAGYAR SZO
in Hungarian 11 Nov 92 p 2

[Interview with Gyula Horn, chairman of the Hungarian National Assembly's Foreign Affairs Committee and president of the Hungarian Socialist Party, by Tibor Incze in Odorheiu Secuiesc, Romania, on 23 October: "A History Lesson for Everyone"]

[Excerpts] After visiting Nagyvarad [Oradea] and Maros vasarhely [Tirgu Mures], on 23 October Gyula Horn, the chairman of the Hungarian National Assembly's Foreign Affairs Committee and the president of the MSZP [Hungarian Socialist Party], visited also Szekelyudvarhely [Odorheiu Secuiesc], in the company of Csaba Tabajdi, a member of the Council of Europe's Human Rights Commission, and Charge d'Affaires Gabor Kiss Gellert [also referred to as Geza K. Gellert]. Horn's answers to questions put to him by the large audience that gathered in the city hall auditorium—about current political developments in Hungary, as

well as the present state and future prospects of Romanian-Hungarian relations—were equivalent to a history lesson. The following is a summary of what was said. At the same time I wish to express my appreciation to the guests for the separate brief interview they granted me after the meeting. [passage omitted]

[Inczeſi] Mr. Horn, much time has elapsed since December of 1989, when you were the first to greet the new Romanian leadership and to assure it of your support. What has been realized of the hopes attached to the changes?

[Horn] To be quite frank, not much. Already in early 1990 we proposed a treaty containing 23 points, to which three more points were subsequently added. Well, none of those points has been realized. In spite of this, it is undeniable that there have been changes in Romania, and there has been progress also in the development of our relations. Especially if we bear in mind where we stood in Ceaușescu's time. In spite of a series of talks, there was only one thing on which we had been able to agree in July 1989—on the fact that we are neighbors. In comparison to that, conditions at present are better and the situation of the ethnic Hungarians in Romania is different. Their representatives are in Parliament and are able to speak out, even though nobody heeds them. It is common knowledge that the Hungarian minority's lot will change for the better only when the domestic conditions in Romania stabilize. Now even the Romanians are having a tough time. It would be very important for the standard of living to rise, and for the system of democratic institutions to gain strength. Incidentally, one must not assume that all this is already an accomplished fact in Hungary. Admittedly, the opposition has not won the recent elections, but the considerable gains it has made are reassuring. Only a truly democratic system will be able to guarantee the ethnic Hungarians' rights. We are monitoring closely how the lot of the Hungarians living beyond our borders is developing, particularly the lot of the ethnic Hungarians in Transylvania, and we will stand up for the assertion of minority rights. It is also our duty to do so. Nor will we allow any further deterioration of relations between our two countries.

[Inczeſi] Could you cite a specific example of failure to establish cooperation?

[Horn] Here is an example: In Europe it is no longer a practice to make citizens wait for hours at border crossings. But on our border it is customary, due mostly to the Romanian customs officers' attitude. The Hungarian interior minister visited his Romanian counterpart a month ago and they discussed this matter. They agreed that the situation must be changed. And what has changed? One must still wait 18 hours to cross the border into Hungary.

[Inczeſi] Yet we regard the signing of the Open Skies Agreement as the most important development in relations between the two countries.

[Horn] That is true. The agreement is of great theoretical as well as practical importance. It would be a good thing if we were able to sign similar agreements also with other countries. With Serbia, for instance.

[Inczeſi] Do you feel a bit of pride upon reading the series of articles in ROMANIA MARE about the Hungarian peril?

[Horn] Let us not talk about pride or the Hungarian Army's equipment. But scare tactics have been a proven method for centuries. The purpose of stirring up passions is to divert attention, and we most definitely reject such attempts. [passage omitted]

[Inczeſi] Mr. Horn, why is it that the new leadership in Bucharest does not seem interested in maintaining good-neighborly relations between the two countries?

[Horn] There is a Romanian delusion that Hungary is agitating against Romania. But the exact opposite of that is true. We are urging Romania to accede to the Council of Europe and all other international organizations of that nature. That would require Romania to adapt its legal system to the systems in countries of the civilized world. Just as we ourselves had to adapt our legal system. Because there are preconditions for European integration. The nearer Romania gets to integration, the closer it will be to democracy, and vice versa. It is also in our interest that Romania not become isolated. Let it also conclude bi- or multilateral agreements, because that would accelerate Romania's changeover to a market economy. It is not Hungary's exclusive privilege to be one of the Visegrad Three. But unless the internal tensions are relaxed, Hungary will continue to serve as the way out, and to be presented as the enemy. Why would it be in our interest to maintain such a situation?

[Inczeſi] The basic treaty between the two countries has not even been drafted, let alone signed. Is Hungary entirely blameless in the failure to reach an understanding on this issue?

[Horn] The answer is quite simple, because the issue boils down to the following: The Romanian side wants to have removed from the treaty's text the passage stating that in the matter of borders it is necessary to proceed in the spirit of the Helsinki Final Act.

[Inczeſi] Specifically what does that mean?

[Horn] The Final Act states that borders may be changed through negotiations, in agreement with the parties concerned. According to the Romanian side, that passage has to be omitted and another one substituted, according to which borders are perpetual and immutable.

[Inczeſi] That leaves only one more question to ask: Why is your side unwilling to accept that wording?

[Horn] We—the Hungarian National Assembly has reached a consensus on this issue—are unable to sign negotiations. Instead, we are employing a principle laid down in the Helsinki Final Act, which both Hungary and Romania have accepted, and which is binding on every signatory country. Let me add immediately that I have no intention of conducting talks with Romania on this question.

Interior Minister on Threat From Extremists

93CH0091A Budapest TALLOZO in Hungarian
5 Nov 92 pp 2124-2126

[Interview with Interior Minister Peter Boross by NAP TV reporters Henrik Havas and Laszlo Juszt; transcript of television broadcast from the week of 26 October 1992, exact date and time not given: "The Extreme Left-Wing Threat Is Greater"]

[Text] [Havas] Interior Minister Peter Boross has recently spent a few days in Paris. He inquired from his French colleague what they would do if on 14 July neofascists made President Mitterrand's ceremonial speech impossible.

[Boross] Since word spreads fast, they already had some information in Paris on the events when I arrived. They quickly told me that in late July President Mitterrand had appeared at a memorial service attended by a very large crowd. The crowd had protested so vocally that in the end Mitterrand had been escorted out for security reasons and had not delivered his speech. I inquired, of course, about the fate of the interior minister. I was told that he is in his place ever since. (...) It is truly a matter of elegance for a politician to tender his resignation if he makes a mistake directly related to his duties. Failing to do so is not elegant. His resignation, however, hinges on one thing: He must have made a mistake.

[Havas] Sandor Olah's remarks in parliament had a great impact and came from the coalition side. He was motivated by moral considerations. You mentioned morale, not politics. Quite seldom does it occur in the Hungarian parliament that someone mentions morale or morality. And he was holding you to account, expecting a gesture.

[Boross] I will say this once again: Interior ministers operate on very slippery grounds everywhere in the world, and they must know for what they are and are not responsible. Just three days ago the Swiss president delivered a speech amid such counterdemonstration—but he delivered it!—that in the end they advised him that it would be better for him not to continue with the speech and to leave the place. Accordingly, all I am saying is that an interior minister is responsible for many things. He is responsible if the police is unable to maintain order, if a police line is broken through, if a statesman is endangered, and if one finds the police's failure to act behind all this. In such situations one might have to draw the consequences. When 8,000 people gather and shout, demanding, for example, that he resign, that he be relieved of his duties or something similar, this presents a very difficult situation.

[Havas] Slovak Prime Minister Meciar urged the world today to take joint action against Hungary. He said that Fascists wearing brown shirts were ravaging in Hungary with the approval of the state. Quite obviously, the Slovak television is going to substantiate its prime minister's statement tomorrow by showing pictures taken at the demonstration against Arpad Goncz, pictures in which Fascist symbols can clearly be seen. He called for international cooperation. This is the primary tragedy of this matter.

[Boross] The tragedy of the matter is if those present recall that certain Kalashnikov affair, when certain Hungarian politicians and much of the press provided ample ammunition for the nationalistic Serbian leadership....

[Juszt] It could be that the press provided information and ammunition to the Serb nationalists, but the press did not produce people like Kalashnikov.

[Boross] The press did not deliver Kalashnikov. What the press delivered is fact. I have said this already in parliament, and I will repeat it many more times if necessary. They follow the prescription of taking the core of the truth then build a huge pile of lies around it, fill the people's ears and homes and everything with it, and then present the case as if this had really happened, as if so many arrow-cross people had gathered on Lajos Kossuth Square. This is the impression this kind of propaganda endeavors to create.

[Havas] The fact is that they were there. Their number is debatable. Meciar is making reference to these. Meciar is appealing to world public opinion and is able to show pictures to support his appeal: he is able to show pictures of a public scandal in Hungary. Perhaps you hold responsibility for letting these people reach the front line of the cordon. These young people, these children were not stopped, their buttons were not taken away, buttons that should have been taken away if for none other reason but to prevent the Slovak prime minister from making reference to these. These children should have been stopped at the corner of Kossuth Square.

[Boross] Do you know who was Slovakia's head of state from 1939 to 1944?

[Havas] Tiso.

[Boross] Are you aware of the kind of demonstrations and movements that took place in Slovakia in conjunction with Tiso?

[Havas] I know exactly, and I also know the amount of damage they inflicted on Slovakia. An awful lot.

[Boross] Well, whether this damage is measurable or not is a different matter. I am only referring to the phenomenon itself, one that exists in one country as well as in another country, but perhaps it is greater in the other country. What I am amazed about is the extent to which the supreme prosecutor's statement was met by closed ears, when he said that the wearing of these buttons was not punishable under Hungarian law. But let me reveal something to you: If I happened to be there and saw that six or seven youths standing there wore arrow-cross caps—this is the number of people we were dealing with—I would have told the police to remove those people. I would have done so because this symbol is a tragic reminder of the country's defeat and occupation, of hundreds of thousands of soldiers, and of the holocaust in 1944. I would have told the police and accepted the political responsibility: They should do what I say even in the absence of legal provisions to this effect. But the policeman should not be expected to interpret things; he should act according to law, based on legal provisions. By expecting a policeman to judge

whether one or another thing is politically appropriate, we would slide back to the past 40 years that still nourish the mentality of many politicians today.

[Havas] These children did not emerge from underground like mushrooms; they came by train. The authorities were aware of their arrival. These children appeared at headquarters on Kolumbusz Street, and from there they came to the square according to a plan that was alleged to have been known to police. Consequently it was not the ordinary policeman who should have gone on a retreat to find out what he should have been doing, but their superiors, who knew about this plan and should have considered what to do.

[Boross] There were six or seven youths on the square who wore these buttons of the size of a 50 filler coin; the buttons could barely be seen in the twilight, but the swastika could be recognized well. There were six or seven of them, that's all. In addition to these, some youths and some children were marching. Indeed, they came from the railroad station. They did not wear swastikas, and they did not wear any outward signs or emblems. They came to the square. There were about 80 of them, let's say, and in addition to these, there were 8,000 people on the square. Those 8,000 people formulated some kind of opinion. There was that certain group of 80 whose members did not wear outward signs. Word spread that these were skinheads. Well, even among skinheads there are several varieties. There are some who in a very rough and repugnant manner beat up colored students, and then there is another group whose members object to being called skinheads because they are guided by a nationalistic spirit. Accordingly, several varieties of these exist. At this point they go to the square to demonstrate, a square that is noisy just as every square like this. The shouting we are talking about, coming from only this many people, amounts to only a certain background noise. In addition, this group is easily recognizable as long as it is a closed group. Unfortunately—and I regret this, I always say that I regret this, even though I know that many do not believe me—this negative manifestation at the square was not the working of 80 people. It involved many more. And since many more were involved, it could not have been localized even if legal conditions for doing so had existed.

[Juszt] Mr. Minister, you are continuously complaining about a lack of legal conditions. Let me quote from the police service rules and regulations. No. 19: The police ensures that large functions, ceremonial gatherings, demonstrations and sports events are conducted in an orderly manner. No. 20: The police takes action to remove persons who disturb such functions.

[Boross] Well, this is it. Let's talk about sports events. You have someone there who shouts in support or against one or another team. You can tell that he is an obsessed fan, but he does not break through the fence, he does not pull out the irons that hold the fence, he does not throw things at policemen or at the referee, he does not threaten the physical integrity of the players. This is what makes the difference.

[Havas] At a Hungarian-Soviet game the police picked out from among the viewers youths who showed Fascist symbols. They performed their duty.

[Boross] I do not like these kinds of remarks, because I do not know what you are talking about, therefore I have great difficulty in responding to it. Let's talk about familiar cases, please.

[Havas] In parliament, Viktor Orban recited the elements of the crime according to the law. You are a lawyer—you know exactly what the elements of the crime called rowdiness are. Anyone acting in a manner that scandalizes people is rowdy. This is the essence of the matter. A person like this should be removed, and this is a mandatory step to be taken by police.

[Boross] You either recognize the fact that expressing displeasure at a rally is not the same thing as creating a public scandal, or, for years to come, we won't have a situation that occurs on a daily basis in every Western democracy. (...) If I happen to see this emblem near me—since it is despicable from my standpoint—I call the policeman and tell him to remove these people. I have said this before. But then I accept political responsibility for this action, because in Hungary the law does not prohibit wearing this emblem.

[Juszt] From what direction could you have been attacked in this case?

[Boross] This is a shrewd question. I would not have been attacked, I suppose, but even then: I must assume responsibility if something is not prohibited by law, and I cannot transfer that responsibility to the policeman who happens to be on the scene.

[Juszt] Don't you feel, Mr. Minister, that you could have acquired a fantastic prestige, had you, right then and there, walked up on the stand, stood next to the head of state and declared: "Gentlemen, this is our national holiday, let's listen to the head of state!" Why did you not take advantage of this political opportunity?

[Boross] You have already heard someone say this.

[Juszt] I would not be ashamed if I had heard it before.

[Boross] If we were in a closed room with a lectern for the president, with many people seated around it, and if someone delivered a speech a meter away from me and was being disturbing, it would be appropriate and possible for me to speak up and say something like this: "gentlemen, please!" But on a square where the steps are covered with the national colors it would be rather complicated to run up those stairs. And then, having run up those stairs to say during such a ceremony: "Come on, let the president deliver his speech." Well, I believe that anyone's sense of reality would question whether such action could have produced results.

[Juszt] Was it impossible to harness the crowd?

[Boross] Well, it was not likely that a call like this would have made sense at an open air grand rally like this one. Perhaps I should say that I, myself, have experienced a

situation like this. The situation might have been different had the president begun to deliver his speech immediately.

[Havas] But I still think that the essence of the matter is what you just said, that a larger part of the crowd, rather than those few kids alone, had caused the real scandal. On the other hand, these hooded kids in the first row, wearing caps with swastikas, did not belong there, if for no other reason but the public attitude. The Interior Ministry organized the event. Couldn't the organizers have told these kids simply on the basis of good taste: "Boys, you should not stand in the first row"?

[Boross] Again, I am unable to answer this question, because although I stood in the first row, I did not see any hooded person near me. But we are always coming back to the same point. Stunning crowds gather at any function of this kind anywhere in the world. Last night a terrible thing happened. President Bush was booed by a crowd. It was a big scandal. People who rampage at such meetings quite often dress in extreme ways. They look rather odd. I recognize the fact that all this is rather unusual from our standpoint. But I do not understand why there was no press chorus of any kind, and no demonstration by any politician when the head of government was booed upon welcoming the participants of the Olympic Games. All I ask is that we use the same yardstick in measuring these things. If we use the same yardstick we must recognize that thus far no politician in Hungary has been threatened directly and physically—and I do not say that this is my merit, it is also to the merit of the policemen and of all kinds of security personnel. They did not throw rotten eggs at them as they did at President Havel and at the queen of England in Dresden. They did not punch them in the stomach as they did Chancellor Kohl, and I could go on listing these scandalous acts. I believe that this is the essence of the matter at this point. And I was also asked why I did not take action when the person of the president of the Republic was not secure. His person was absolutely secure. Such risk did not exist even for a moment at the square. We could go around and around discussing this subject, also considering that it counts that this was the first instance in which children with swastikas appeared at a demonstration of this nature. I am candid when I say that I was unaware of the fact that children with swastikas were coming, because had I known that things would turn out the way they did, I would have done what I said before.

[Havas] You just mentioned Queen Elizabeth's trip or visit to Dresden, and you mentioned Bush and Kohl. These were private affairs. A politician goes to a place and delivers a speech. But this took place on 23 October, our most important holiday. Therefore, the things that happened here were not incidents related to an election campaign, and they did not amount to a visit by a foreign head of state to Dresden. The issue is simply this: We do not scratch ourselves while the national anthem is being sung. The simple issue is that we should preferably refrain from dealing with daily politics on national holidays.

[Boross] This was a real good phrase: "Because on national holidays we should refrain from dealing with daily politics." As politicians, together with crowds supportive of

certain opposition parties, we were there at the square, because the president of the Republic was speaking. But the prominent leaders of precisely the free democrats held another meeting at the New City Hall, or I don't know exactly where, while the president of the Republic spoke at Kossuth Square. Had everyone been there, and many people were there, this event could have had the character of a true national holiday. I remind you of 15 March this year. Do you recall the counterdemonstration at the Petofi monument? I cannot stress strongly enough the fact that I was deeply distressed for having to see the president of the Republic in that situation, and the same thing happened on 23 October. I was deeply distressed. But all this is just commentary; that multitude of lies that continues to survive after these events sometimes upsets me, even though I am told that I am calm by nature.

[Juszt] I would go further, just as those young people went further from Kossuth Square to Szabadsag Square and gathered in front of the television, where, whether you like it or not, they demonstrated without an advance announcement, i.e., without a permit. The Interior Ministry organized the entire 23 October celebration and was responsible for it. Therefore I believe that one way or another it should also be held responsible for a demonstration without permit.

[Boross] The person responsible for the function is responsible for what's going on at Kossuth Square. This responsibility does not include accompanying everyone home to his apartment door, or putting everyone to bed. The information I received from the police indicated that the crowd dispersed in every direction from Kossuth Square. Have you ever seen people leaving in a group? Everyone takes off in the appropriate direction when the crowd begins to move. As I was told, one group—200 people—began screaming in front of the Television, and let's not guess what they were screaming. Then these young men, referred to as skinheads, arrived and joined those in front of the Television. Since the Television must always be secured, the police issued a warning and told them to move on. At that moment the crowd began to move and left the place. What else should have been done? Should the police have pulled out the black jacks and have given them a good beating? The group included 60- to 70-year-old veterans of 1956. I could be a success story today had they pulled out the black jacks, but I would be terribly ashamed of myself.

[Havas] Two comments. I don't think you had Arpad Goncz and Imre Mecs in mind, neither of whom understand the people of 1956.

[Boross] No, I have extremely high regard for both.

[Havas] I see, just so that there is no misunderstanding.

[Boross] My relationship with both of them is the same, because both were victims of the post-1956 reprisals.

[Havas] The other comment I want to make is that a megaphone could have been pulled out instead of a black jack, with which the police could have warned the crowd.

[Boross] That's what happened.

[Havas] Really? Accordingly, did the demonstration, as such, the demonstration without permit, not materialize? The opposition has a different view of this.

[Boross] Of course. What makes a person part of the opposition?

[Havas] Not necessarily some contradictory statements.

[Boross] This is the nature of the opposition in Hungarian political practice, but I must add: only of the opposition in Budapest, because opposition representatives in the countryside are entirely different.

[Havas] Are you luring them to join the MDF [Hungarian Democratic Forum]?

[Boross] Very many of them would have a place there, in my view. We would welcome them.

[Juszt] Mr. Minister, does the Television always have to be secured?

[Boross] On occasions like this.

[Juszt] On these occasions? Perhaps always. As long as you brought up the matter describing the relationship between the Television and the police this way. Another assumption had also been made, according to which the relationship between the Television and the police could be different. Csurka has said, "[They ask,] how dare I make a proposal like this in a democracy, how dare I suggest that those who consistently violate laws should be punished! Well, this is the foundation of democracy! And the extent of democracy here is insufficient because these people always manage to get away. They always find a way to either hide behind legal provisions or to evade the law by providing various interpretations of the law, and they take advantage of laws in their favor.... I want to abide by the law by asserting that we had enough of this. A person must be removed if he does not want to abide by the law. If two policemen enter... this will not violate, but rather will fulfill the ideals of constitutional statehood, parliamentarism, and democracy."

[Boross] Well, yes, my friend Pista Csurka has circled around a great moral truth. People often say that this is intolerable. He is not a police officer, nor is he the minister of the interior, and, quite obviously, he does not have specifically this in mind; he only thought that it would be nice to do so. At this moment the police have no such authority.

[Havas] That's not quite how he said it.

[Boross] At this moment the police have no authority to enter and to remove people. Certain conditions must be fulfilled in order to grab someone's jacket and to remove him from a given place to another.

[Havas] Didn't you tell your friend Csurka, "Well listen, you, Pista, don't say such things, because this is not permitted by law and by the service rules and regulations, and they might misunderstand this, and not only the opposition could misunderstand this"?

[Boross] Are there things a writer can't say? What sentences of his could we....

[Havas] Was this part of his work as a writer?

[Boross] It is incorrect to say that this was part of his work as a writer. This would amount to unfounded irony vis-a-vis Csurka. All I'm saying is that he is a writer blessed with a skill to dramatize things. He might be the most significant dramatist of this century, and on occasion he gets carried away. Among the sentences he utters one finds some that should not be said. And other things, too. That's a different issue, but we are not discussing it now.

[Havas] As long as we discussed the Television and the demonstrations, and as long as we mentioned the police removing Hankiss, I just noticed that Mr. Potyka is sitting there—he is usually present at the anti-TV demonstrations. Mr. Potyka's definition of the milder version of skinheads is this: patriotic, conservative-minded young people.

[Boross] I think we should outgrow the disease that makes us believe that whoever does not occupy a place defined by the Left is an extreme right-winger.

[Juszt] Do you then agree with Istvan Csurka's statement in parliament, according to which the youth wearing Nazi uniforms must no longer be pushed to the peripheries of society, but instead we must engage in dialogue with them?

[Boross] I am convinced that one should prefer to apply educational methods with respect to young people trying to find their path. A different treatment must be accorded to those who commit crimes, who cannot be corrected otherwise.

[Juszt] Aren't the skinheads criminals?

[Boross] This is a very difficult issue. Do we call them skinheads when they begin to slap a young black man in the face, which is a crime and must be pursued correspondingly? Or do we regard them as skinheads when they adopt a certain fashion—because I know that this thing has very many shades, and the concerned fathers, too, recognize when high school students have their hair cut just because it's fashionable, then put on a jacket and those very cheap, discounted workers guard boots that, presumably, are fashionable today, then put them on their feet because they want to show off to the girls? As long as they do nothing, we should not have a situation like in the aftermath of 1956 when policemen went after young men to see whether they wore beards. It was fashionable to say in those days that one would not shave as long as the Russians were there. The police picked up these young men, took them to the police station and shaved off their beards. Hungarian public life would stray in a very dangerous direction if we were unable to recall these incidents.

[Juszt] Why should the Budapest chief of police sit down to converse with them if they do not commit crimes, but could potentially commit crimes? What is there to be discussed?

[Boross] Yes, I am aware that Janos Bodracska sat down with them, and I am not opposed to that. And besides, this

is a private affair of the police. It should be obvious that Bodraeska did not sit down with these children to make criminals out of them, but to warn them and to influence them. What's wrong with that? Gentlemen, can you name anyone I haven't talked to as minister of the interior?

[Juszt] Really, with whom haven't you talked?

[Boross] I believe that there are some incorrigible ones among them. But let's drop this subject.

[Havas] Why couldn't you have appeared before the ad hoc parliamentary committee proposed to be established by the opposition? Why was it not possible to clear up all the misunderstanding before such a committee? In other words, to clarify when the police have what kind of authority; whether they knew that Mr. Potyka's men would be coming; that Mr. Potyka's men were not those skin-heads. I believe that an investigating committee like this would suit everyone, if it revealed the truth. Very many people thought that hands were raised as a result of fear when this proposal was voted down.

[Boross] In Paris I was afraid of the votes cast here.

[Havas] I am not talking about you, but about the coalition representatives who prevented the establishment of the committee. I know that this is not within your scope of authority.

[Boross] But what more could have been learned by a parliamentary committee beyond what they already knew? The word fairness is rarely used in our political public life. The expression according to which a person is not going to take advantage of this opportunity is rather rarely used. I feel that we have a bewildering virulence—which, I am convinced, is contrary to the nature of the Hungarian people and will, sooner or later, backfire—this eternal jumping to our feet, objecting to everything, this exceedingly lively opposition attitude. Quite obviously, the coalition majority voted down this proposal because it knew that something would happen in the committee during the show. I could also say that there actually was no need for a parliamentary investigating committee. Why not go to Henrik Havas? He knows so many things, and, what is important, he knows these things accurately.

[Havas] You manifested prejudice by calling a committee hearing a show from the outset. Such ad hoc committees have been established a million times to conduct various investigations, starting with the Bos-Nagymaros case. Why do you think that such a committee, and especially with a preponderance of the coalition in it, would be a show? It would have at least reinforced the confidence of the electorate in the representatives. Agnes Maczo is usually the subject of ridicule, but in this instance she said that we have spent hours in parliament throwing around Fascist labels, we have wasted time, instead of discussing the most important economic issues, unemployment, and other things.

[Boross] Incidentally, I felt good about that, because I know the kind of dedication Agnes Maczo has in performing her work as a representative, the enthusiasm she has in visiting the villages she serves. But I think that this

has been the first word of praise, or recognition I have ever heard about her. Dear Sir: The answer to your question is that this is what parliament has decided to do. You know, a parliamentary system is a kind thing in which buttons are placed in front of representatives, who, in turn, push one of these buttons based on their own convictions, and when one button registers more than the other, then there is no ad hoc committee. You may question me some more, but I have nothing more to say.

[Havas] And how about the courtesy of the majority vis-a-vis the minority? I can tell that I'm beginning to entertain you.

[Boross] Yes, this is truly entertaining. This loyal, attractive minority could really assert a claim for such gesture. I will tell this story in parliament: at this time we are supposed to be loyal.

[Juszt] During the summer several individuals—the prime minister, Mr. Fur, as well as you—talked about a threat from both the extreme Left and the Right. Which threat is more on your mind at this time?

[Boross] It should be clear to every sober-minded person that after the 40 years we have experienced, and after a system change like this, such danger is, by logic, stronger from the extreme Left—if there is any threat to this country at all, due to established bases, individual status situations and for due to many other things. And I would like to add here that there is no threat of any kind involving the taking of power by force or similar things. These people do not wear various kinds of buttons, eight of them do not wear pufajkas, and they do not run back and forth to rallies.

[Havas] Are there specific examples you could mention? Is there any convincing evidence to prove the truth of your statement that the threat from the extreme Left is greater?

[Boross] Look, Gentlemen, we are talking about potential danger, and it is no secret that certain organizations operate in this country whose duty it is to see to it that nothing threatens the internal order. To perform this duty they must lay watchful eyes on certain danger zones. That's how much this amounts to.

[Juszt] Couldn't we learn more about this?

[Boross] No.

[Juszt] But it would be good to know if some underground exercises took place.

[Boross] It would be very interesting if I—who at the conclusion of cases, and in general, regarding higher caliber cases, receives information—would give a lecture on the places and pieces of real estate which must be watched, which, we were told, serve as bases for some endeavors. And then I would go on saying that they took a look at these places and pieces of real estate, and found that they did not serve as bases for anything. And then I could go on with the sequence of action, all of which serves the purpose of allowing this country to exist calmly, peacefully, and within a constitutional framework.

[Juszt] You misunderstood me, Mr. Minister. I did not inquire about the actions taken by the police. Instead I was curious whether anything had been unveiled. It would be in no one's interest to make a secret of the unveiling of extreme left-wing groups, I would think.

[Boross] At this moment no criminal proceeding has been initiated in any such case.

[Havas] In last week's MAGYAR FORUM Istvan Csurka wrote that small people resigned to their fate are compelled to seek ways to frustrate the system, and to develop means to quietly sabotage things. There is, indeed, serious dissatisfaction in the country. Sooner or later, helplessness may carry people away. What does the interior minister have to say about this?

[Boross] I believe that it is extremely difficult to respond to a lead editorial or to a writing. Actually, one can only respond to real questions. Various moods evolve in the daily events and public lives of every country, and this mood fluctuates. For very well known reasons, the public mood has not been rosy in Hungary. This is clear to everyone. This public mood can produce something adverse. Some adverse intention that disturbs the country's calm and peace, one that conflicts with criminal law provisions. Well, this is what the powers responsible for maintaining order must watch. At this moment there is no threat aiming for the forceful takeover of power in Hungary, one that has enough background support to have a chance to succeed in a takeover. Hungary could be destabilized in many ways and for many reasons. By using social demagoguery, for example. Sometimes it could be done by saying only "if we were the ruling power, we would"—followed by a list of things and how good those things would be. The usual opposition text. Incidentally, I regard this as a natural part of polities. But it is certain that, compared to the neighboring countries, conditions are relatively settled in Hungary. Heaven forbid that conditions like those in one or two neighboring countries evolve here. As a result of the aforementioned moods, it would be possible to start a series of events to provoke the people or to result in a movement, events that start with a large-scale strike, then shift in some destabilizing direction, i.e., even with the use of legitimate means. I believe that anyone doing so in this period of the country's history, when only two and a half years have passed since the system change, would be extremely irresponsible. If such action evolves into some trouble or disturbance, it will bury under it primarily the one who started it.

[Juszt] The MDF has introduced a legislative proposal to make the demonstration and wearing of extremist political symbols a punishable crime. They included here the swastika, the arrow cross, as well as the red star. How would you justify this from the standpoint of legal theory?

[Boross] I have made the mistake—and I must indeed apologize to the entire young generation of jurists—of stating that some of our arguments concerning the standard texts of legal provisions are based on the fact that no legal theory had been taught in Hungarian law schools for 40 years. Isn't this what prompted the question, if I understood it correctly? This matter is entirely clear cut. Some signs could be prohibited by law, and from then on a police sergeant would not be faced with a political dilemma. He would remove such signs, take them away—he would do what he has to do.

[Juszt] In France, England, the United States, and I could go on listing quite a few other countries, the hammer and sickle and the red star are not part of the prohibited emblems, and they are not mentioned together with the arrow cross.

[Boross] Just how long has France been occupied by the Soviet Union? When were these emblems forced upon the French people? I do not recall seeing the red star or the hammer and sickle on the French tricolor.

[Havas] An official delegation arrives here, and they put out their small flag. It would be very mean to say that they should remove that flag.

[Boross] There is a big misunderstanding here. In 1939 the Soviet Union returned to Hungary flags from 1848 in exchange for releasing to the Soviets Matyas Rakosi, and this took place in the framework of a protocol. And surely, one could see hammers and sickles there, under the Horthy system. They must not have felt good about this, but they tolerated it, because protocol so required. I do not believe that this would cause a problem in such situations.

[Havas] A few months ago you joined the MDF. Many felt that the succession issue had been resolved as a result of your joining, because you act on behalf of the prime minister anyway when he is incapacitated or when he takes a trip abroad. Under given circumstances Peter Boross would become the future Hungarian prime minister.

[Boross] The fact that at half time I decided to join the MDF, an organization to which I have felt close before, amounts to a mere outward expression of the intellectual and moral trend which I espouse and in the framework of which I wish to take part in the course of future struggles, without having anyone to believe that I am outside of the party, i.e., so that everyone knows that I am in the party. I realize that you did not raise this question in that sense, a question that has been misunderstood by several people here. I am a novice in the MDF, and since I am a novice in the MDF, and since the MDF provides the head of government, one obviously has to seek leading personalities among the founding, leading fighters of the MDF who hold appropriate positions within the party, and, in given situations, also in government. I must add here: However exciting it would be to pursue this topic, thank God we have a prime minister and he has been appropriately made to last.

Liberals Leave Local MDF Group Under Pressure

Furmann's Setback

93CH0145A Budapest UJ MAGYARORSZAG
in Hungarian 16 Nov 92 p 4

[Unattributed article: "It Is Not Miskolc Who Will Nominate Furmann"]

[Text] News arrived from Miskolc on Saturday that the list of names recommended for the MDF [Hungarian Democratic Forum] national committee and presented at the MDF electoral meeting did not include the names of Miskolc committee founder and MDF national deputy chairman Imre Furmann, or parliamentary representative and current Miskolc committee chairman and founding member Tibor Balazsi, or parliamentary representative and Borsod-Abaуй-Zemplen County MDF committee chairman Lajos Mile. The reason for the omissions was that the three politicians announced on Friday evening that they are leaving the Miskolc MDF committee.

MTI's Miskolc correspondent learned that Balazsi resigned his office as chairman because the Miskolc committee did not nominate Imre Furmann for the chairmanship either; he also said that since he was not nominated by his own organization. He was resigning because, being a founding member, he could not continue working under such conditions. Lajos Mile also joined in their decision. All three declared that they would resign from membership in the Miskolc organization.

Incidentally, the three politicians were nominated to the national committee by local MDF organizations—which is possible even officially—so all three have actually been nominated, but not by their own organization. It is true that every MDF member must be present in a local organization and it is also a fact that no one can function as chairman without the support of one's own organization. On the other hand, it is entirely possible for Imre Furmann to join another local organization, in which case he must have the support of that community, said MDF committee secretary Aba Sellei. He also corroborated the fact that Imre Furmann has already been nominated for membership in the presidium by several dozen MDF organizations. In such cases the Budapest party center sends a letter to the nominee's local organization to solicit a statement. Of course, in case Imre Furmann joins an MDF organization that has already nominated him, such a formality would be unnecessary.

Charge: 'Paid Agents'

93CH0145B Budapest MAGYAR HIRLAP in
Hungarian 16 Nov 92 p 5

[Unattributed article: "Furmann, Balazsi, and Mile Leave the Miskolc MDF Organization"]

[Text] MDF [Hungarian Democratic Forum] Deputy Chairman Imre Furmann (who, incidentally, was its founder), representative and current local party chairman Tibor Balazsi, and representative and county party chairman Lajos Mile have left the Miskolc city MDF organization. As we learned, at the electoral meeting where

the nominees to the national presidium were also elected, Imre Furmann did not get the number of votes needed to be put on the list. Subsequently, Furmann announced that he cannot remain a member of an organization that finds his value system so unacceptable. Tibor Balazsi decided to quit partly because of solidarity, partly because of allegations that they were paid agents, and also because no one rejected the charge after the applause had subsided.

Incidentally, the list of nominees for the presidium included the names of Istvan Balazs, Gyula Zacsik, Istvan Csurka, and Zsolt Zetenyi.

The Miskolc organization consented that Furmann and Balazsi be nominated by local organizations, which has already happened.

Imre Furmann decided to join the local organization of Nyekladhaza, his native town, as a member without office. He indicated that he probably will not accept the deputy chairmanship even if he is reelected in January.

SZDSZ's Tardos on Negotiations Over Media

93CH0130A Budapest BESZELO in Hungarian
7 Nov 92 pp 15-16

[Interview with Marton Tardos, leader of the Alliance of Free Democrats caucus in the National Assembly, by Gabor F. Havas; place and date not given: "Any Mistrust Is Unwarranted"]

[Text] Despite the mediation efforts by both the prime minister and the president of the Republic, the six-party negotiations on the media have failed. We interviewed Marton Tardos, the head of the SZDSZ [Alliance of Free Democrats] negotiating delegation, about the causes of this failure. Tamas Fodor, a deputy chairman (SZDSZ) of the National Assembly's Cultural Committee, helped to edit the final text.

[Havas] With what did the two sides sit down to negotiate, and what had they hoped to achieve?

[Tardos] The basis of the negotiations was that the prime minister and the president of the Republic had agreed on the need to relax the tensions that the media war was generating within society. The outcome of their discussion was that President Arpad Goncz invited separately the leader of each party in the ruling coalition, as well as the leader of each opposition-party caucus in the National Assembly, who then sat down to negotiate with one another. The negotiators for the ruling parties wanted to reach agreement on personnel questions.

The opposition parties were of the opinion that negotiations on personnel questions would be possible only after agreeing on the purviews of, and the normal hiring and firing procedures for, the Hungarian TV and Hungarian Radio presidents and vice presidents, as well as the top management of the Radio and TV Office (RTH), and on other fundamental issues pertaining to the media bill. During the talks, which lasted from 30 September to 27 October, the differences between negotiating positions remained practically unchanged. The negotiators for the ruling parties claim they made concessions on several

issues. According to the negotiators for the opposition parties, however, the differences between negotiating positions were narrowed only on questions relating to the RTH.

[Havas] What were the issues discussed?

[Tardos] The four issues discussed were as follows: First, whether the entire media bill or only some parts of it should require a two-thirds vote for passage. Second, application of the principle of a two-thirds vote to the bill on appointments. Third, the requirement of a two-thirds vote also to electing the governing bodies of the RTH, since one of its principal functions will be the allocation of frequencies, over and above the tasks of exercising economic supervision. And fourth, the matter of the third television channel, of so-called Hungaria TV.

[Havas] What was the opposition's standpoint on that last issue?

[Tardos] Although we recognize the importance of regularly broadcasting on TV cultural and political information for the benefit of the ethnic Hungarians living beyond our borders, we felt that it is first necessary to clarify whether Hungaria TV is a public-service or a commercial channel, and then to apply the provisions of the future Media Law to it accordingly. Momentarily the situation in the matter of the third TV channel is that the government, while preparing the enactment of a media bill, had followed a procedure that was in harmony with neither the public-service nor the commercial media provisions of the emerging bill, on the principles of which a consensus had already been reached.

[Havas] On which of the four issues have the differences between negotiating positions narrowed?

[Tardos] The differences have narrowed between the standpoints on the manner of appointing the president of the RTH and the members of its advisory board.

In view of the fact that the negotiations on the other issues are stalled, the agreement on this issue is ambiguous because, in the opposition's view, the individual elements of an agreement must be regarded only as parts of a single package.

[Havas] What transpired at the negotiations? Did both sides keep reiterating their respective standpoints or did they come up with alternatives?

[Tardos] There were no negotiations at all during the first two weeks, because the government did not give the committee a chance to convene. Meetings were fairly rare also during the next two weeks, and these opportunities were not very fruitful either: The government kept repeating its familiar arguments, and the opposition tried to introduce new proposals.

[Havas] Did the opposition ever consider on its merits the list of names that the government proposed for appointments?

[Tardos] No, it did not. Incidentally, the government introduced that list only at the very end of the negotiations, specifically at the next-to-last meeting. Anyhow, the opposition does not regard as serious any candidate who would be willing to accept appointment even in the absence of an agreement regarding the media bill. Without satisfactory regulation of the conditions for appointment and dismissal, and before final clarification of the RTH's status, we are unable to negotiate about candidates for appointment. But we did not respond to the proposed list of names also because, due to the shortage of time, we were unable to form an opinion about some of them; while proposing the others had to be viewed as frivolous, because they obviously do not and cannot enjoy our confidence.

[Havas] Would it not have been better tactics to consider also questions of personnel and to present counterproposals? Not in order to reach an agreement before questions of principle were clarified, but to be able to maintain your negotiating position?

[Tardos] All along we were in favor of continuing the negotiations. We regarded the 13 October and then the 27 October deadlines set by the prime minister as stimuli to work more effectively. The experience we gained when Messrs. Csucs and Nahlik were appointed convinced us that there could be no negotiations on candidates for appointment until guarantees were in place. Otherwise the candidates appointed by mutual agreement could be dismissed on some pretext, perhaps even within days of their appointment.

[Havas] Were the standpoints entirely uniform within each of the two camps, one being the camp of the ruling parties and the other of the opposition parties?

[Tardos] Some differences of opinion were perceptible among the ruling parties. When the caucus leaders met with the prime minister on 13 October, only Ferenc Kulin, the chairman of the Cultural Committee, and Bela Csepe, the leader of the KDNP [Christian Democratic People's Party] parliamentary caucus, argued in favor of continuing the negotiations. The prime minister threatened then to take unilateral action. Throughout the negotiations, the opposition remained entirely united in its standpoint that it could make decisions regarding personnel questions only parallel with the bill's enactment, and in regarding any agreement only as a part of a single package.

[Havas] Tamas Katona is emphasizing that they had offered all sorts of compromises.

[Tardos] In practice there were no compromise offers. They did introduce a proposal, according to which the opposition would have voted at the hearings in favor of judging as suitable the candidates proposed for appointment, and the two electronic media presidents would have been relieved of their office the moment these candidates won a two-thirds vote in the Cultural Committee. And new media presidents would have been appointed after the media bill's passage by a two-thirds vote. Thus there would have been an interregnum of indefinite duration, in which the two vice presidents appointed earlier would have had full authority to manage their respective institutions. That

interregnum could have become endless, especially if several members of parliament from the ruling parties had decided not to vote for the media bill's passage. For I think it is conceivable that, even with the best of intentions, Messrs. Katona, Konya, and Kulin may not be able to guarantee passage of the media bill.

[Havas] What was the ruling parties' reply to these objections from the opposition?

[Tardos] They replied that any such mistrust was unwarranted.

[Havas] That was all?

[Tardos] Yes.

[Havas] Did no one point out that the media bill's passage was the primary objective? Gombar and Hankiss announced months earlier that they would resign immediately upon the media bill's passage.

[Tardos] Yes, that was brought up, and it constituted the basis of our arguments. We said that, in our opinion, the media bill's passage could be accelerated considerably. We have offered to withdraw our package of amendments that is delaying the bill's passage. Withdrawal of the proposed amendments would be all the more feasible because, by our assessment, Hungarian Radio and Hungarian Television are not functioning any worse than other public-service institutions. But the government is attaching primary importance to replacing the presidents, rather than to enacting laws that meet the requirements of the freedom of the press.

[Havas] What steps can the government be expected to take now? How would it be able to escape from this trap?

[Tardos] In my judgment, to seek further compromise is the only feasible road if the government wishes to remain within the Constitution. That, of course, is not a simple task for the government. Because, on the one hand, the government wishes to avoid an open conflict with Arpad Goncz as well as any further intensification of the media crisis. And on the other hand, it does not wish to antagonize Istvan Csurka and his followers, who would not mind if there were no media law and whose votes for the government's budget bill would depend on whether the presidents of Hungarian Radio and Hungarian Television were acceptable to them.

On Tuesday afternoon, after we went to press, the HUNGARIAN NEWS AGENCY reported that the prime minister is proposing to relieve the presidents of Hungarian Radio and Hungarian Television, and to appoint Sandor Sara vice president of Hungarian Television. Until the appointment of new presidents, the vice presidents would be acting presidents.

Controversial Changes in VAT Described

93CH0096B Budapest HETI VILAGGAZDASAG
in Hungarian 31 Oct 92 pp 115-116

[Article by Aniko Szanto: "A Self-Propelled Treasury"]

[Text] *The many pitfalls in the value-added tax [VAT] bill will become evident when the National Assembly begins to debate the bill in detail next week. The government intends to assess VAT even on the taxes paid.*

The exposition of the VAT bill's legislative intent states that "the basis of tax assessment in the case of the sale of goods or services is the consideration given," which "also includes taxes and other mandatory payments affecting the price, except VAT itself." There have already been loud cries of protest this year when it became clear that the government had smuggled into the Law on the 1992 State Budget a provision, according to which "the basis of tax assessment in the case of an imported product is its customs valuation, plus customs duty and customs clearance charges." But it appears that next year the government wants to perfect the principle of levying tax on taxes paid, by the well proven "quietly, softly" method. For in the exposition of the VAT bill's legislative intent there is not a single word about changing over to a new "basis of assessment." If the bill is enacted in its present form and the National Assembly also retains, say, the institution of cultural contribution, then VAT would have to be paid next year even on what is commonly known as trash tax and is borne by the generally successful theatrical plays. Or in the case of motor vehicle fuel, on the contribution to the highway fund. Excise tax and the contribution for environmental protection would likewise be included in VAT's basis of assessment.

Another question that provides food for thought is whether so-called material tax exemption is truly advantageous for the activities to which the zero VAT rate applies at present (for instance, the services provided by the post office). Admittedly, those activities would avoid being taxed at the 8- or the 25-percent rate; but they would be unable to claim a refund of any VAT included in the invoices for their own inputs.

However, politicians have not yet examined VAT in detail, under a magnifying glass. For the time being, they are preoccupied with figuring out how to introduce a double-dealing VAT that generates sufficient revenue for the budget, yet does not increase public dissatisfaction. Although Finance Minister Mihaly Kupa is justifiably defending the budget plan that has been reconciled with the International Monetary Fund—the plan considers it expedient to elaborate in 1993 a method of pricing like the one that is customary in the developed half of Europe, and to introduce a double-dealing VAT—the legislative bill's main objective is obviously to generate more revenue for the treasury. The exposition of the 1993 budget bill's legislative intent reveals that, as a result of introducing a double-dealing VAT system, the state budget expects to collect 56 billion forints of additional revenue from the tax

on purchases by households and individuals, and 20 billion forints of additional revenue from the tax on other purchases.

At a joint briefing for Hungarian Democratic Forum, Smallholders Party and Christian Democratic Party members of the parliament last week, Mihaly Kupa demonstrated great flexibility by presenting a series of compromise solutions, in an attempt to line up the ruling coalition's members behind the Antall government's budget bill for next year. The menu offered by the finance minister last week allegedly included a proposal—originating incidentally from Christian Democratic politicians—to retain the zero VAT rate in 1993 for ten basic necessities that are considered the most essential. (Such a solution is not unprecedented within the EC. According to the preliminary agreement that the EC countries concluded in late July 1992, the United Kingdom will maintain the zero VAT rate next year for foods, heating oil, transportation fares and children's clothing, while implementing the rules for the harmonization of taxes. Those rules call for a standard VAT rate of at least 16 percent, and a reduced rate of at least 5 percent.)

The finance minister pointed out that in order to offset the rising prices of basic consumer goods, it would again be

possible to increase the amounts of personal tax exemptions for next year in the same way that they were increased for this year. (At present the personal exemption per child is 1,300 forints a month.) The fact is, of course, that this solution would benefit low-income taxpayers the least. But it could easily become the proposal favored by the government, because it is the cheapest solution for the state budget: raising the personal exemption by 100 forints would deprive the treasury of merely 1 billion forints of revenue, whereas the "cost" of raising family allowances by 100 forints would be 3 billion forints. The finance minister's proposals allegedly included one that would substantially raise family allowances, but would make them taxable in the future.

For the time being, the finance minister has failed to gain the support of the governing coalition's party caucuses for the government's 1993 budget bill and the VAT bill, although at the beginning of this week the National Assembly—as had been agreed—opened the debate on the budget bill for next year by taking up the tax bills. But the possibility is not excluded that, amid the intensification of political conditions after 23 October, the sole function of the votes cast for the 1993 budget will be to express confidence in the government.

Insight on Walesa's Relations With Chancellery

93EP0068A Warsaw *POLITYKA* in Polish
No 45, 7 Nov 92 p 4

[Article by Jagienka Wilczak: "Humming the Same Tune: Housecleaning in Walesa's Chancellery"]

"We are writing," says Under Secretary Andrzej Zakrzewski, chief of the Political Service Bureau in the president's chancellery, happily, "under a very good pseudonym—Lech Walesa. We are to use the president's language: We are to sew a jacket to suit him."

The statute says that the head of the chancellery is a chief who coordinates its work. The president appoints the chief of the chancellery, its secretaries and under secretaries, and its general directors.

Zakrzewski says that it was an idea of Andrzej Drzycimski, the president's press spokesman. Simply: "I went for coffee with Drzycimski," says Zakrzewski, "and he gave me the job." Zakrzewski made one condition: He will move into empty rooms and will choose his coworkers himself. And the answer was "OK."

Drzycimski confirms this. The president announced that, after the parliamentary election, he would part with the leaders of the Center Accord, who had annexed the chancellery and changed it into a political center. When, exactly a year ago, all parties involved were busy swallowing the successes or defeats of the election, order was established in the chancellery. Most of the ministers, along with the chief, Jaroslaw Kaczynski, were released. In this way, in keeping with the president's promise, the chancellery became less political.

The new organizational formula was as follows: The chancellery ought not to copy the structure of the Central Committee or ministries, as was done before. The tasks of the chancellery come from the constitutional rights of the president. Therefore, the Political Service Bureau works on views, analyses, and prognoses, connected with current sociopolitical and economical events; it gathers appropriate documents and prepares materials for the president's public appearances. According to Drzycimski, thanks to the reorganization, the chancellery has gained a more professional style, and the new staff is apolitical.

Andrzej Zakrzewski hired six persons—five journalists and a sociologist. They are acquaintances, who met somewhere or other on various jobs. Anyway, they smile, who in Warsaw does not know Zakrzewski? Zakrzewski is a lawyer, a historian on leave from the Institute of History of the Polish Academy of Sciences, cocreator of the "Experience and Future" dialogue group, and coauthor of all of its reports. He has also been involved with the Solidarity movement since 1980, and is co-organizer of the Consultative Committee of Creative and Scientific Associations and secretary of the advisory committee to the leader of Solidarity drawn up by Andrzej Micewski. He has worked with Micewski before, when invited to the staff of the president's advisers, but resigned when the Center Accord began to widen its influence in the former chancellery. And this is not the end of his titles and jobs.

How did he attract his people? He did it by showing them the mirage of satisfaction one gets from the effort to formulate the position of the head of state on the most important matters. He did it by promising them participation in an intellectual adventure. "Here," says Piotr Lojewski, a former journalist from SZTANDAR MŁODYCH, TYGODNIK KULTURALNY, and FORTUNA, "we have some influence one way or another; we do a job that brings results."

There was also curiosity—to get to this mysterious tower, which turned out to be not so intriguing as some people wanted it to be.

They say about themselves: "We are the inking wheels"; their boss, Zakrzewski, calls them writers. They write speeches and presentations, letters and telegrams, inscriptions and messages for the president. Almost everything. They have not called for work conferences; they knew anyway how the president should not talk. They looked through the literary production of the former staff and found that the group led by Arkadiusz Rybicki emphasized too many details, which meant a lack of clarity in many texts.

The writers repeat as one that, in their job, the most interesting experience is the challenge of Lech Walesa's speaking style and language.

The longer they listened to him, the more they admitted that, in this style, one can say more than in the style of the intelligentsia. Maybe with this knowledge it was easier for them to adopt the principle to write like Walesa, which, as they say, bore fruit in a new quality, in an understanding between the president and his "inking wheels." The president calls this cooperation "humming the same tune." They say he is their inspiration.

What the President Wanted To Say

How does a text become a speech? "It does not happen that an order comes at the last minute," says Zakrzewski. Usually, they know about a presentation a few days earlier, from the president's calendar or the Belveder's schedule. Their task is to intuitively divine Walesa's intentions, as they say.

"How do we know," they say, "what the president wants to say? From the analyses from our own sources and interviews, which show how the president formulates his views." Here the political program is found. They catch these ideas and signals, according to the now-classic statement: "I throw an idea and you catch it!" They work together, but sometimes also in small groups. When they cannot in any way figure out how to start, they reach for the tried-and-true key: "We have a free Poland at last."

The ready text goes to the press spokesman, Drzycimski, its first critic. After that, the president reads it. And he corrects it. They call this phase going through the wringer. Rarely are there no comments; sometimes very little is left from the first draft. Then they try to comfort each other, saying the president has a great gift of editing. Drzycimski says the president is very tough in his evaluation: He demands concise and concrete texts, written in short

sentences. Explains the president: "I have a small diaphragm." A text should have a clear message from the president of the Republic of Poland. The team tries to fit into Walesa's style, not the opposite. "Either one rides on this train," says Drzycimski, "or one should get off."

When the team prepared a text of the New Year's speech, one page beginning with the words "And now we meet on this evening," Walesa called Zakrzewski. "What did you write here?" he hollered. "Those people did not ask me to come." And he corrected it to: "I intruded into your homes." Finally, after a discussion, it became: "I have invited myself into your homes." He wants to be authentic, to break though the stiff cliches.

Once he said: "Next time you will read it yourself. I do not intend to teach university professors how to do science." It was a text, evidently soaked with encyclopedic knowledge, for a professorship nomination ceremony.

In congratulations letters, he forbids the word "congratulations" to be used. Before the ceremony for the commencement of the academic year, he said: "Just don't write any 'excellences' for me." The word "dean" went smoothly. On the occasion of the meeting of the Oxford and Cambridge fellowship holders, the names of those universities were not to be used. They try to substitute some other words for them but admit that that is a difficult art. The staff explains that Lech Walesa knows his talents and his limitations. He would not want even some small error to destroy the main idea of his speech, especially when it is a thought he wants to develop.

"When our draft is accepted," says sociologist Andrzej Kulczycki, "we are very satisfied." They learn how to balance on a tightrope. Texts cannot be too official or too sentimental. In the files, there is a draft of a letter from the president to General Dubynin, prepared by the staff. At the top of the first page, there is a note from Drzycimski to Zakrzewski: "Andrzej, the president asks that the letter be warmed up." Examples of how to warm it up are given below: The first reminds the general about the personal relationship between the two politicians, and the second praises the general as a tough mediator, but willing to compromise.

The chancellery is on Wiejska Street. Communication between it and the Belvedere is done by fax. The heading usually is: "A. Zakrzewski to Minister Drzycimski—Important!", or the opposite. The staff is responsible for texts signed, spoken, or read by Walesa. "These are really good pieces," Zakrzewski assures us, "but we are not responsible for the folk poetry." It happens sometimes that Walesa does not use parts of a text or does not use it at all, and then says something that nasty journalists will pick up and laugh at. "Sometimes," Zakrzewski admits, "I would just jump under the table. It happen that I resign five times a day." But he thinks the journalists are wrong, and the president is a little like a child who has to burn his finger before he learns. The fact is that Walesa does not like to read speeches because he finds them artificial. He prefers to appear in public without written pages; he has a great

gift of sensing moods, but sometimes he falls into a trap. He calls himself "a politician of the moment."

You Are Right and You Are Wrong

In the chancellery, they know that the president will not always listen to advice. But this "unreformableness" is both his weakness and his strength. Lojewski believes that the question of Walesa's reformableness is wrong. "It would be strange," says he, "to expect that the position he has will change him. People create the office they fill. To fit a person to a chair is a misunderstanding." Changes in personality and style come by evolution. They say Walesa has learned how to be a president.

Whether the president should prepare himself for his interviews or should speak spontaneously is another problem. Elzbieta Sadowska, a former journalist for TYGODNIK KULTURALNY and WOKANDA, thinks he should prepare. But, when she speaks out, Walesa smiles and says she is right and wrong at the same time. But, because cameras and bodyguards are present even at the inside meetings of the staff and the president, she would rather not hear that she does not understand the president. She gives up.

The president gives interviews in the Belvedere at 0930. When someone from the chancellery comes to the interviews just to listen, that is well received. According to Elzbieta Binder, a journalist and former classics student, they do not wait for an invitation. Interviews are perfect material for them to use. She makes notes and then together they analyze his words: "One needs to get over the sickness of communism"; "the working class was more romantic than the intelligentsia"; "it is not enough to be right: one should also win."

If they had a computer, they would make up Walesa's dictionary, or a data base of his golden thoughts. A golden book for both fun and work. But let us come back to the Belvedere. Exactly at 0930, Minister Drzycimski or Wachowski comes into the hall where the journalists are already waiting and announces the president. After a moment, Lech Walesa comes in, and, after greetings, he sits down and encourages them to fire away. Form was introduced when the staff noticed that many of the journalists did not know how to behave. For example, should they greet the president standing or sitting? Form is now strictly observed.

The interviews usually end the same way: The president shows his disappointment in the choice of questions. This happened recently when Walesa gave an interview for TV news about Polish-Russian relations, after disclosing the Katyn documents. When the reporters asked him to repeat some of the fragments of the interview, he told them irritated that he was not an actor and did not intend to act.

"I cannot talk him into having a picture of himself taken," says Drzycimski. There is no current photo of the president in the Belvedere.

The journalists are not popular with either Drzycimski or the Political Service Bureau. "They wait for errors," says

Drzycimski. "They do not know how to listen." We get really angry when the president's speeches go unnoticed and are not analyzed as political interpretation. In the Political Service Bureau, they think it is a lack of goodwill, a lack of understanding of what the president has to say. One example is the German visit: The best advisers were hired and every sentence smoothed, but the Polish journalists acted like typical provincials. "How much ill will one must have to talk only about the chamber pot," says Andrzej Karpinski, head specialist in the Political Service Bureau. "For them, the chamber-pot incident was more important than Poland's place in Europe." Or, another example: a visit to Nowy Sacz. The people were happy that the president was with them, but GAZETA WYBORCZA was ironic. Our colleague Stanislaw Podemski behaved in a similar way: He ate breakfast in the Belveder and then criticized the idea of show-and-tell events. In fact, the president had in mind showing some documents on TV, disclosing information on sentencing, or announcing the end of some important case. In general, there is a common opinion among staff that it is easier to talk with foreign journalists than with our own, who sense unhealthy scandals everywhere and are very provincial.

Really a Reasonable Guy

The people from the Political Service Bureau claim that, when they began this job, they were not absolute enthusiasts for Walesa—at least not all of them. Only there did they become convinced that he really is a person who makes sense. The only one who has a vision for the future and who tries to build a model, brick by brick. Walesa calls it a plan for Poland, forming perspectives for tomorrow. Says Zakrzewski, "He has the question for the future of the state within him."

"It is enough to see how the West perceives Walesa," adds Drzycimski. "Not as a populistic hero anymore, but as a person who stabilizes the situation in this part of Europe. It is not an accident that Yeltsin and Gorbachev are trying to win his favor." According to Drzycimski, all authorities fall, but the authority of Walesa still exists, untouched.

It is hard not to ask about the relations between the Belveder—Ministers Drzycimski and Wachowski—and the Political Service Bureau, directed by Zakrzewski.

Zakrzewski praises his cooperation with Drzycimski. He vigorously denies the suggestion that Wachowski and Father Cybula stick their noses into everything, violating the statute. The priest serves the Political Service Bureau as a consultant for religious affairs, so that false statements are not made. Journalist Jerzy Klechta also works in the Belveder, but, in the bureau, they say he serves exclusively to make videos. Wachowski, in their opinion, is a very efficient boss of the secretariat—and that is it. "I had only three conflicts with him," says Zakrzewski. They avoid conflicts because now their work territories are divided, and each person minds his or her own territory. In general, the bureau thinks that the image of demon Wachowski was created by the press. Spokesman Drzycimski has similar views: It was the press and Jaroslaw Kaczynski, who, according to Drzycimski, "dies, weaned from the

Belveder's breast." And because Kaczynski cannot swallow his defeat, he is looking for a scapegoat. The obscure persona of Minister Wachowski is a perfect victim. And Wachowski himself maintains good form and does not answer those attacks. One has to have nerves. According to Drzycimski, it is not good if, in politics, hatred makes one's horizon dim, and he means Kaczynski.

In the city, the opinion exists that the Belveder does not let the leader of the Center Accord win.

Are they among the best informed in the country? Alexandra Zgorzelska, who has worked as a journalist for 25 years and has spent the past nine working for Omnipress Publishers, says that, while they know many things in advance, it is unusual that they would know something that could be hidden from the press. And, anyway, are there still really well-informed sources?

A Soviet State

In the bureau, they say that the president wants to be informed. He has a very sensitive ear anyway. That is why he created his backup, the chancellery. That is why he formed many councils to formulate positions. There is a council for Polish-Jewish affairs, a council for village and farming affairs, a council for science and cultural affairs. The councils are under the protection of the Political Service Bureau.

Despite what various circles currently say about Walesa, no one has refused to participate in a council. On the contrary, an invitation is an honor.

Zakrzewski believes that the councils are an attempt to take things into our own hands. They build elements of state politics in a broader way, not through the prism of only one department. At the same time, they are an intellectual backup and a position-formulating body for the president. When some wackos in the Sejm do something terrible, the president, appealing to the council's opinion, can veto it, or he can use his right to legislative initiative. On the other hand, the councils are an attempt to communicate problems of society.

When the bureau, represented by Kojder, prepared an analysis entitled "Poland and the Poles in 1992," in which they asked various officials about the most difficult problems and dangers to our country and then prepared a prognosis, decisionmaking centers outside the Belveder did not even thank them for the document. An analysis concerning corruption met a similar fate.

Recently, they sent Walesa a document on the case of the prisoner Galuszko, and another about the man convicted for lese-majeste of the president in Pinczow. They were convinced it was worth it because the entire staff had a similar point of view in both cases: to pardon.

At the end, I asked who visits the chancellery. The writers laughed: It is easier to tell who does not come here. Only the paralyzed and the hospitalized. Both influential politicians and people upset because someone wrote "Jew" on

their mailboxes. That does not include the deputies who come for lunch: The chancellery cafeteria is known as the cheapest one in town.

Fluctuation in Parliament, New Clubs Presented

93EP0074B Warsaw *POLITYKA* in Polish
No 45, 7 Nov 92 p 5

[Article by Janina Paradowska: "The Restless Parliament: By Now There Is a Shortage of Seats for the Center-Right"]

[Text] *Not so long ago, it had seemed that a week without a schism in some political party was a lost week. Every party split up—the Polish Party of Beer Lovers, Center Accord (repeatedly), Democratic Union, Christian-National Union, Solidarity peasants. Generally speaking, it can be said that, if any party is represented by more than three deputies, it is inevitably menaced by a schism, unless it is a party like the Alliance of the Democratic Left, which finds itself isolated, and that triggers a defense mechanism so that its ranks close.*

Recently, an opposite tendency has been observed: A week without a merger is an eventless, dull week in our political life. One merger was initiated by Aleksander Hall, who rallied round himself 26 deputies and, to boot, several senators, upon first breaking away from the Democratic Union. Hall had a chance to enlarge his Polish Convention by several deputies who had just been suspended by Center Accord for their improper attitude to advertisements on houses of prostitution in the newspaper EXPRESS WIECZORNY (they printed them, although, as true Christian democrats, they should not have done that), but he was prevented by Donald Tusk, who undertook to bring about an unusually ambitious political alliance: He wanted in one stroke to establish the largest club of deputies, consisting of 80 members, and, on the occasion, to break up the so-called Little Coalition, which has been mostly dormant since the formation of the new government. It was awakened now and then from its sleep solely by the blasts of car horns signaling that right, then the government was coming to attend an important vote in order to get it passed by, for example, one vote.

Should Tusk succeed in forming an alliance among the Liberals and the Polish Economic Program (which used to be called Large Beer), the Polish Convention, and the suspended members of Center Accord, the government coalitions, both the Big and the Little, would be strengthened to such an extent that at least Mrs. Prime Minister would not have to be present at every vote.

For the time being, however, thunder and lightning are being hurled at Tusk for his attempt to destroy the value represented by the Little Coalition, for harming Hall's cause, and for confusing the center-rightists so much that they no longer know which is the true center-right—Hall, Kaczynski, or perhaps Tusk, with his associates. The big club of deputies was to be formed rapidly, but it has not been formed, and it already seemed that the politicians came to Wiejska Street [the parliament building] with the sole object of passing a few laws—something that, until now, has been just a side object of their activities. Fortunately, 15 or so unaffiliated deputies could still be found in

the Sejm, and, on Friday, just before All Saints' Day, they kept the political scene boiling for the week because they decided to unite with the object of "broader participation in the Sejm's work."

This new alliance has 16 members and hopes to grow bigger soon. It is in the nature of the Polish parliament in that all of the clubs therein expect to recruit new members. For the time being, however, the Sejm consists of 459 deputies (one seat, set aside for the German minority, remains vacant), so that new club members can be recruited chiefly from interparty shifts, whose pace is so rapid that the 22 October issue of KRONIKA SEJMOWA, containing a list of clubs and the deputies belonging to them, was handed to me at the Press Office with the caveat that it may become outdated even before this issue of *POLITYKA* is published, and, indeed, it has become outdated following the above-mentioned alliance of the unaffiliated. "The main problem is to identify those who are on the move," a fellow reporter from RZECZPOSPOLITA, whose calculations show that there are, after all, more than 460 deputies in the Sejm, which is in some conflict with the Constitution, complained to me. But, because so many other things, including the house rules of the Sejm, remain in conflict with the Constitution, perhaps also the existence of one or two deputies above the constitutional limit is not an earthshaking event.

Thus, without going into excessive detail, it can be stated that, at present, there exist 11 clubs in the Sejm (not including the recent initiative of the unaffiliated). The largest club, with 58 deputies, is that of the SLD (Alliance of the Democratic Left), followed by the UD (Democratic Union), with 56 deputies and the PSL (Polish Peasant Party), with 50. Fourth-ranking are both the ZChN (Christian-National Union) and the KPN (Confederation for an Independent Poland), each with 46 members, followed by PC (Center Accord) (31 deputies, including the suspended ones), and the Polish Convention and NSZZ Solidarity, with 26 deputies each. Next come Peasant Accord, with 19 members, and the Movement for the Republic, with 16.

Since the beginning of the present term of the Sejm, the greatest losses were sustained by Center Accord, which was abandoned by 13 supporters of J. Olszewski. These losses were not made up by the influx of new members—one from the Polish Economic Program and one from Solidarity. The KPN lost three deputies to Olszewski and one to Peasant Accord, with two more declaring themselves unaffiliated. Other clubs, too, expect to gain additional members at the expense of the KPN. The SLD also is not the club it used to be. Deputy W. Ziolkowska, for example, joined the Labor Union (and, anyway, from the outset she had been declaring herself independent of the SLD), while two other members decided to become completely unaffiliated. Deputy J. Szymanski, elected from the SLD list, has from the beginning been completely independent, but now he is dependent on Labor Union. What is more, the SLD cannot count on newcomers from other clubs. Some small reserve was constituted by deputies belonging to Party X,

of whom one has already joined the SLD, but two others became unaffiliated. This is the sole example of a total schism of a grouping consisting of three deputies.

Slight losses were sustained by the Christian-National Union. One female deputy abandoned its club voluntarily, and a male deputy (A. Macierewski) was forced to change his political hue. The remaining members adhere to one marque, although they do not vote in unison, while waiting for the next ZChN congress to see which orientation will be followed—that of W. Chrzanowski and H. Goryszewski or that of Macierewicz.

No members were lost by the club of the Polish Peasant Party. Outwardly, the peasant deputies stick together, although offstage it is loudly rumored that Deputy B. Geremek is flirting with Deputy Vice Speaker J. Zych, who is said to be easier to win over to supporting the governing coalition than the unreconciled PSL chairman, W. Pawlak. Deputy A. Luczak is said to be torn between Zych and Pawlak—something that, in the case of an intellectual, is a quite customary mental condition. The peasant deputies also are waiting for their party's congress, but it would be too much to expect that the deputy speaker would be a threat to the former prime minister.

Nearly no losses were sustained by the KLD (Liberal-Democratic Congress), either, if we do not include Deputy T. Bien, who has been displaying strong independent tendencies for the second term in a row. Previously, he had been independent of the SD (Democratic Party). The KLD and, especially, Deputy L. Mazewski clearly disappointed observers. Several days ago, experts on the subject claimed that a schism was certain. But the way things look, unity will be strengthened.

In addition to the desire of certain deputies to become politically independent, opposite tendencies are also being observed in the Sejm. It seems that some SLD members would like to join the Democratic Union, which, however, cannot happen owing to historical considerations as well as because the Democratic Union will absolutely not admit to any leftist leanings. And here we arrive at a very important—ideological—reason for all these interparty shifts. In that sense, the deputies are shifting mainly rightward. The most desirable seats in the Sejm nowadays are on the center-right, with about three deputies to every seat available. The center-right (of course, the modern kind, because that is nowadays in fashion) is inhabited by Liberals, and a majority of the UD, the KP, the PPG, the RDR [Movement for the Republic], the PL [Peasant Accord], and other smaller Christian-democratic groupings. Only the ZChN and the UPR declare themselves to be pure rightist. On the other hand, the leftist side of the room is becoming rapidly depopulated. Leftism is, of necessity, professed by the SLD and, by conviction, by Ryszard Bugaj, whose efforts over many months to create a "leftist alternative" produced effect in the form of a circle of six deputies. Thus, while seats on the left side are nowadays very cheap and simply ask to be occupied, the centrist seats are available at a higher price, though not as high as that of the center-right

seats. In the center, Democratic Union continues to dominate, but it is trying to lean rightward. Jaroslaw Kaczyński, whose contributions to the Polish political vocabulary are hard to overestimate (acceleration, decommunization, recommunication, *post-nomenklatura* system), has even pointed to the ongoing "pecyzation" (derived from the acronym PC for Center Accord) of the Democratic Union, which is being accomplished by J. M. Rokita, who is pushing his party in the rightist direction. Centrist seats are also occupied by the PSL, but that party is leaning leftward, and some of its activists even say that they are by now center-left. Also occupying centrist seats is the KPN, but probably solely owing to habit because there are hardly any other reasons for its doing so.

A closer scrutiny of the ideological shifts reveals a certain pattern: The more leftist the public becomes—judging from strikes, demands, shouts, and demonstrations—the more rightist the members of the parliament become. This strange parting of the ways between voters and their elected representatives can, of course, be explained by the desire of the so-called elites to preserve a certain balance for the national community as a whole. It is worth noting that the rightward shift of the deputies does not mean that they support, for example, more distinctly rightist programs. An overwhelming majority of our Sejm deputies are showing tremendous concern for the weakest social groups, for pensioners and annuitants—on being ruthless only as regards pensions for uniformed personnel and single mothers—as well as for health care, education, science, farming, and all other domains that must be more than ever financed from the budget, and also for state enterprises that should in no way be allowed to fail. The persistence of such views on these issues is, properly speaking, the one constant of Polish political life, which otherwise is in continuous ferment.

The continuity of that ferment is promoted by all—by the president, by party leaders, by pretenders to party leadership, and by ordinary deputies. Also contributing to it is the government, which is (said to be) interested in having that ferment lead to the emergence of some more solid political base. Recently, it turned out that the maintenance of political ferment is of concern even to Messrs. Bagsik and Gasiorowski, who, while residing abroad, have commenced to refurbish the political scene, beginning with Deputy M. Zalewski.

Offstage in the Sejm, a worrisome rumor has been circulating—namely, that the list prepared by these two gentlemen is longer, and that it also names other politicians. Considering that Messrs. Bagsik and Gasiorowski have unlimited access to the mass media, both state and private, unlike the government and the opposition, further changes on the political scene are to be expected. These changes may in some cases even involve transfers to detention in custody pending a criminal investigation, which are so popular with the public, both in view of the amounts of the embezzled funds, which are sometimes rumored, and in view of the unusual public spectacles they offer... as usually guaranteed by antiterrorist squads....

View on Importance Given to Opinion Polling

93EP0072A Poznan WPROST in Polish
No 44, 1 Nov 92 pp 16-17

[Article by Dr. Jerzy Gluszynski, director of the Pentor Opinion and Market Research Institute: "Statistical Error"]

[Text] There is already sufficient evidence to indicate that Poland will not be able to carry out the forced economic reforms with the blessings of the majority of society. It is therefore time to accustom ourselves to the idea that, regardless of what kind of policy we attempt to implement in Poland today, it will meet with more or less intensive social resistance.

What, then, does the frequently used scare phrase "lack of social agreement" mean? Those who use this term undoubtedly do not realize that they are yielding to the temptation of an unauthorized personification of a multimillion collectivity, which is the nation. Society is not the same as the sum of the individuals that make it up; its ways of expressing its reasons are fundamentally different from those of individuals. It is extremely difficult to reach their proper level and requires effective theories, a special research facility, and correct analysis by high-class sociologists, whose conclusions, by reason of their complexity, rarely take on a public character. Yet, every day, the results of measurements of public opinion, in reality the most superficial sphere of collective awareness, make a great impression on the political class and the politically oriented citizens. A great many misconceptions have arisen on the subject of its power and untransferable role in a democracy. The role and significance of public opinion is evolving in the general awareness from a once complete lack of confidence to totally unsubstantiated, uncritical idolatry.

In an undemocratically governed society, public opinion as a rule had a limited character, deviating from the standards described by its classicists in Western societies. Despite its many imperfections, it was nevertheless measurable. The intellectual elite understood this well, and, in the final years of the existence of the Polish People's Republic, so did the authorities.

The post-October thaw resulted in the formation of a special Center for Research on Public Opinion (OBOP), which survived the epoch of real socialism. OBOP was provided a relatively ideologically neutral subject for research (the radio and television public) and successfully avoided the most controversial political topics. The Public Opinion Research Center (CBOS), which came into existence during martial law, had another genesis and reason for existence. The authorities at that time no longer needed purveyors of only good news. The authorities needed "real knowledge" about the divided—as a result of martial law—society. Hence, the idea of establishing a "trusted" center, which could supply current information, independent of the reports of the opposition-oriented sociologists.

A sharp political battle was fought for the shape of public opinion; one of the instruments used in it was the method of revealing the results of the research. The opinion pollers in the research center were provided with stamps reading

"confidential" and "secret," while the press and the government spokesman, both under censorship, racked their brains as to how to present the results in such a way as to blur the existence of a gulf separating the government and society.

The results of social opinion research were, at that time, scrupulously analyzed and widely commented on in the salons of the government and the opposition. It sometimes happened that they were questioned by both the party secretaries, who could not believe the popularity of their following, and by the leaders of Solidarity, who expected clearer attitudes of ostracism toward those who governed.

The weight that was attached to the opinion research results in these abnormal conditions was transferred in a natural way to the postrevolutionary period.

It was not until after the June 1989 election that the right climate for the development of public opinion arose in Poland. It was formed along with the "accelerated rate" of democracy society was then experiencing. After a few honeymoon months to which the nation treated the first noncommunist prime minister, it quickly turned out that the typical, for the erstwhile method of thinking of many Poles—a simple exchange of "PZPR for Solidarity," "the bad and their government" for a "good and our government"—was not sufficient for an understanding of what is happening in the country. The citizen wanted to continue to believe in the good intentions of the new government but felt increasingly painfully (in his pocketbook) the effects of Ballerowicz's reforms. The "war at the top" finally undercut the sense of his determination to "tighten the belt for a better future".

But the "war at the top" also brought a positive result. It finally buried the bloc (if not to say herd) public opinion in Poland, this familiar, easily understood by everyone, division into "we—good" and "they—bad." Thus, it became possible for a revelation of opinion, in the full meaning of the word, with all of the attributes that accompany it: diversity, changeability, susceptibility to manipulation, and so forth. Its public expression could only be what the society at that time was: lost, unsure of tomorrow, grasping for easy and quick prescriptions for healing Poland. Not too long ago, in a general referendum, the Poles, without blinking an eye, were ready to elect Lech Grobelny prime minister, and Stan Tyminski came within an arm's reach of the Presidency.

Not much has changed since then. Trite simple miraculous ideas for Poland are constantly appearing: vetting and decommunization, penalties for abortion and revelations of economic scandals, protection of national assets, making an influential social class out of those in debt. Public opinion must somehow "consume" them. It does this as best it can, granting a little support to everyone: 2 percent to this one, 4 percent to another, to Lepper "in spurts"—for example, 5.5 percent.

The hopes that democracy will result in an automatic growth of civic responsibility were not fulfilled. Rather, it became a field for relentless rivalry for political irresponsibility, with ever-weakening defenders of reason and pragmatism. The stake for which the battle is being waged is

public opinion, which, contrary to the times of a guided democracy, can play the role of final arbiter. This guarantees public opinion a position it does not occupy in any of those democracies the Poles like so much, the position of an instrument capable of restraining the temptations of a government separated from the social interest, and soon, perhaps, also as an instrument serving to cultivate the current policy.

If we were to yield to this tendency, Poland would have attained the dubious glory of practicing a direct democracy, and "Polish Gallups" would perform the highly responsible role of prophet in determining the nation's opinions. This prospect (fortunately deliberately overstated) has its roots in a simplified (not to say infantile) perception of the essence of democracy because, if greater significance is ascribed in it to the primacy of an absolute, mathematical majority than to respect for the elementary rights of the minority, we should be grateful to fate for causing such an important political breakup. It is frightening to think how certain political groupings would govern if they felt the breath of the majority of the nation on their backs. In order not to overestimate public opinion—by nature chimerical—it should be clearly stated that, in a real democracy, it should by no means signify a dictatorship of the majority, and the institutes studying it cannot be a dummy of a direct democracy.

It is worth taking a look at how opinion research is used in other countries. The leaders of France, receiving reports that the results of a referendum on the matter of European integration may not be certain, did not change the political line agreed upon in Maastricht.

They took the results of the polls as a warning that, without the approval of the French society, the idea of a treaty may be buried. As a result, they strengthened the propaganda campaign.

The same thing should be done in Poland—for example, with privatization. Instead of asking the confused people one more time whether they are this time in favor of the umpteenth variant of privatization, their acquiescence to the program deemed to be the wisest should be obtained.

The Polish society is not as ungrateful as it may seem to certain politicians. It is ready to notice and appreciate good intentions and effort put into public service, even when its results are doubtful. The best proof of this is the constantly highest marks in the rankings of politicians given to Jacek Kuron, who, after all, concerns himself with the most thorny social problems.

Nationwide Daily Press Circulation Discussed

93EP0074A Warsaw RZECZPOSPOLITA
in Polish 29 Oct 92 p 3

[Article by Anna Paciorek: "The National Press Marathon: The Newspapers, a Year Later"]

[Text] Our press market resembles a marathon run in which old, experienced competitors—although some of them have changed their political hues—are competing with new ones that are often groomed by excellent foreign

trainers. But this is an exhausting marathon run, and some of the runners now and then fall by the wayside.

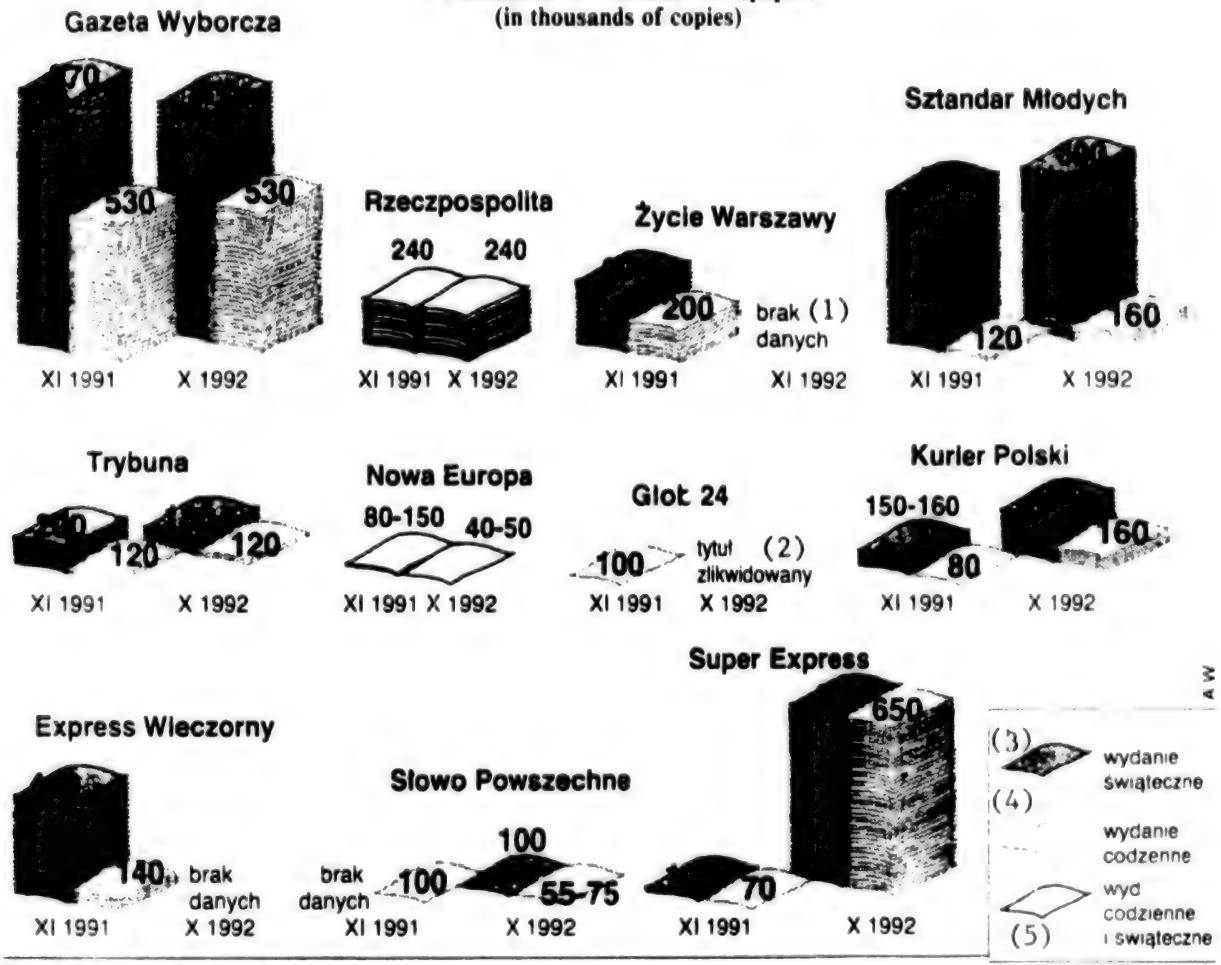
The numerically largest group, in terms of circulation, consists of the dailies. But only two of these, GAZETA WYBORCZA and SUPER EXPRESS, report on their circulation in each issue. KURIER POLSKI reported on its circulation last July (550,000 copies), when it ran a contest that was to strengthen its standing on the market. After the contest was over, when circulation declined, it no longer published figures on it. Unfortunately, Ruch, the press distribution agency, is unwilling to disclose exact figures on the grounds of trade secrets and protecting the interests of its clients. This leaves as the information source the newspaper editors themselves, but, in some cases, they declined to answer my queries. Perhaps the saying is true that those who keep quiet do not have anything special to boast about.... The figures contained in the "Press Advertising Index" published by the Krakow Domena in 1992 also were provided by editors and present the status as of the end of November 1991 (see Chart 1). The "Index," which contains, as mentioned on its cover, "A List of the Most Widely Read Domestic Newspapers," omits mentioning several titles that even then appeared on the market. In addition, a new daily began to appear by October 1992. Hence, the chart was complemented with data from the PAI [Polish Information Agency] "Polish Press Index" of April 1992, which certainly is made up of information until the end of 1991. In 1991, there appeared, like a meteor, a new daily, OBSERWATOR CODZIENNY, with a circulation of 120,000, whose publication was suspended last May.

All of the dailies other than RZECZPOSPOLITA, which is 70-percent distributed by subscription, are each day taking risks in providing nearly their entire circulation for sale at newsstands. What part of circulation is represented by remaindered returns?

In the case of RZECZPOSPOLITA, approximately 30 percent of newsstand copies are returned, although, in that case, when allowance is made for distribution to subscribers, the returns average less than 10 percent. Juliusz Rawicz, deputy editor in chief of GAZETA WYBORCZA, claimed that, on the average, the returns of his newspaper amount to 15 percent, but, when it is delivered late to newsstands, they climb to 30 percent; on the other hand, if the issue contains some unusually interesting news, the returns plummet to zero.

Krzysztof Czabanski, editor in chief of EXPRESS WIECZORNY, when asked about the returns, declared, "We have no problems with the weekend edition, but it is much worse when it comes to the weekday editions." Aleksander Kwasniewski put the returns of TRYBUNA at 30 percent. Director Kazimierzak of PAX said that the returns of SLOWO POWSZECHNE amount to 35-40 percent, and, of the weekend editions, 15-20 percent. SUPER EXPRESS (two weeks before it commenced, emulating KURIER

I. Circulation of National Newspapers
(in thousands of copies)



POLSKI, an assault on the market by publicizing an attractive contest with a house as first prize), had returns of 25-30 percent, according to Editorial Board Secretary Andrzej Czerski.

NOWY SWIAT, NOWA EUROPA, SZTANDAR MŁODYCH, and ŻYCIE WARSZAWY declined to provide data on their returns. In May, NOWA EUROPA claimed in an article on the dailies that the returns of NOWY SWIAT reach 65 percent (for a circulation of 45,000); of SZTANDAR MŁODYCH, 25-30 percent of the daily edition and approximately 10 percent of the weekend edition; and, of ŻYCIE WARSZAWY, approximately 20 percent in Warsaw and 80 percent throughout the country. Unfortunately, NOWA EUROPA provided

no information in that article about itself, but, soon afterward, its troubles began and circulation was slashed.

Properly speaking, for how many national dailies is there room on the press market?

In the opinion of press expert Walery Pisarek, that depends on whether they differ in political orientation and intended audience.

According to a "Pro-Media" poll taken last July, when asked which newspapers support political parties, of the 4,000 respondents, as many as 46.4 percent named GAZETA WYBORCZA, 23.8 percent TRYBUNA, 10.1

percent NOWY SWIAT, 8.7 percent EXPRESS WIECZORNY, 6.9 percent ZYCIE WARSZAWY, 5.3 percent RZECZPOSPOLITA, 1.5 percent SZTANDAR MLODYCH, and 0.9 percent SUPER EXPRESS. It thus turns out that readers view in their own way the partisan or nonpartisan sentiments declared by publishers.

It is undoubtedly easier for "old" newspapers, to whose titles readers have become accustomed, to survive on the market. Here GAZETA WYBORCZA is an exception, but it simply exploited the opportunity of having been the first totally different, legal, oppositionist newspaper. New newspapers, even if interestingly edited like OBSERWATOR CODZIENNY or attempting to attract the reader by colorful displays like GLOB 24 or by emulating foreign models (NOWA EUROPA as the Polish "FINANCIAL TIMES," or DZIENNIK KRAJOWY as the Polish equivalent of USA TODAY), are threatened by bankruptcy. Three of these have already gone under.

How do newspaper editors view their readership? Do they estimate circulation on that basis? And what do they think of their competitors?

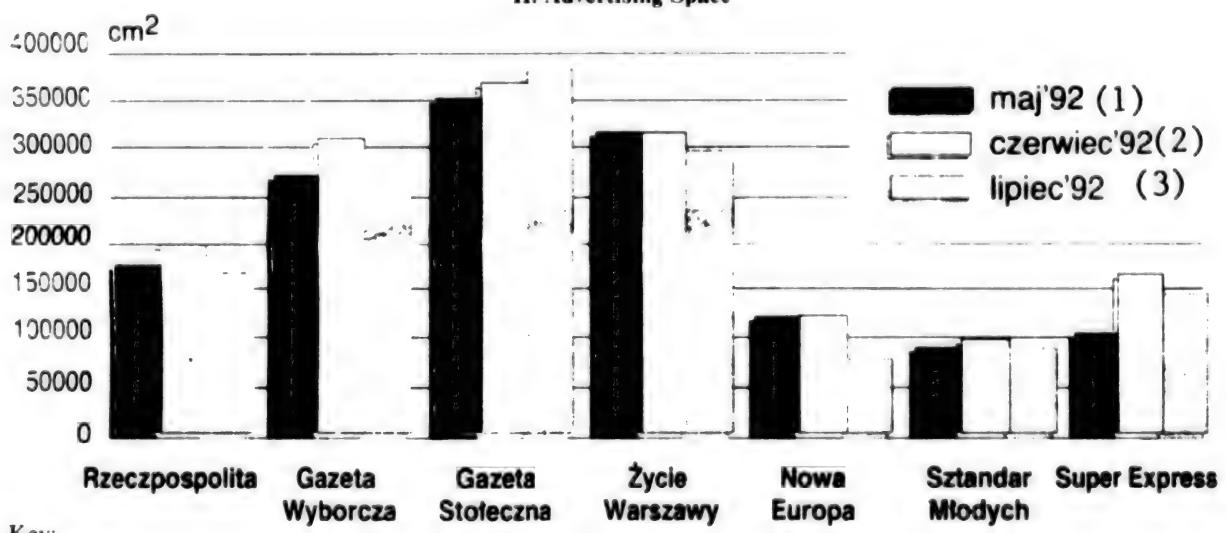
"We would like to strengthen our standing on the press market, in the areas where we are newcomers—that is, we would like to be competitive on the local markets in Katowice, Krakow, Lodz, Poznan, and Gdansk," said Dariusz Fikus, editor in chief of RZECZPOSPOLITA. "This will be linked to the quantitative growth of our periodical, but we do not intend to compete in circulation with GAZETA WYBORCZA. We would be quite satisfied with a circulation of 300,000. Our periodical appeals to a very particular readership. We would like to expand its business section, especially in order to cater to aspiring young businessmen, and to somewhat change its image from that of a bureaucratic-legal and economically oriented periodical to that of an opinionmaking periodical of

the Polish intelligentsia. We would like reading RZECZPOSPOLITA to become a kind of snobbish act; hence, the idea of the RZECZPOSPOLITA Club."

Juliusz Rawicz, deputy editor in chief of GAZETA WYBORCZA, claims that his newspaper has now reached its peak of circulation for technological reasons. An attempt to publish an edition of 1 million copies proved to be a tremendous strain on the printing plant. This newspaper will try to retain its standing as the largest national daily on the press market. Rawicz views as the principal danger the low quality of the printing compared with—for example, RZECZPOSPOLITA or ZYCIE WARSZAWY. He views it as a success that GAZETA WYBORCZA, with its huge volume of advertising, has succeeded in becoming Warsaw's leading newspaper in publishing small advertisements, ahead of the previously seemingly invincible ZYCIE WARSZAWY.

Krzysztof Czabanski claimed that, after SUPER EXPRESS entered the market, the returns of GAZETA WYBORCZA increased, while SUPER EXPRESS itself, as an "afternoon daily" published in the morning, is no threat to EXPRESS WIECZORNY, like KURIER POLSKI. Czabanski views his EXPRESS WIECZORNY as a blend of the features of good newspapers: "The lively editing and own information sources of GAZETA WYBORCZA, the accuracy and impartiality of RZECZPOSPOLITA or ZYCIE WARSZAWY, plus the sensationalism of the afternoon dailies." Studies have shown that 50 percent of the readers of KULISY, the weekend magazine of EXPRESS, are people with higher and secondary educational background, middle-aged and elderly. Thus, EXPRESS WIECZORNY will be addressed to such readership. In contrast, according to Andrzej Czerski, SUPER EXPRESS is addressed to readers with elementary educational and vocational—at best, secondary—backgrounds. Therefore,

II. Advertising Space



Key:

1. May 1992
2. June 1992
3. July 1992

its language must be clear and simple, and it focuses on sensational news stories as well as on political reports and basic information services.

"Our greatest dream is to lead the market in circulation," said Andrzej Czerski.

In the competition for readers, the newspapers resort to various means. The simplest is a low price, such as 1,000 zlotys for SLOWO POWSZECHNE and ZYCIE CODZIENNE, which planned to regain some of the readers of the communist-era ZYCIE WARSZAWY. Another such means is attractive contests for readers, and it has been applied by SZTANDAR MŁODYCH, KURIER POLSKI, ZYCIE WARSZAWY, and SUPER EXPRESS. But income from sales other than income from advertising is insufficient for a newspaper to remain in the black. The information on income from sales is kept secret by the newspapers. Should someone want to compare advertising space in various newspapers, he would obtain the picture shown in Chart II.

Of course, size of readership affects advertising revenues, but, when a newspaper has a particular readership, it publishes advertisements precisely geared to it, even though, for example, another newspaper may have a greater circulation.

The marathon run mentioned earlier is continuing. Readers, profits, and prestige are waiting at its finish line. Although several competitors have already been eliminated from the route of the marathon, additional runners are trying to join in. Jacek Bartyzel, editor in chief of a Catholic daily planned by the diocese, expects it to have a circulation of 120,000 on weekdays and 160,000 for the weekend edition. And Piotr Wierzbicki, following his unsuccessful relationship with NOWY ŚWIAT, intends to publish GAZETA POLSKA.

[Box, p 3]

The Reader Will Tell You the Truth

Figures on circulation and returns of newspapers can be, to some extent, verified by checking the size of readership. The report of the Estymor Company, "Multimedia Summer of 1992," reveals that (roughly) every fifth adult Pole reads no newspapers at all, and every fifth is a reader of GAZETA WYBORCZA. The next ranking, in size of readership, national dailies are RZECZPOSPOLITA, SZTANDAR MŁODYCH, and EXPRESS WIECZORY. It also is worth noting that two regional dailies, DZIENNIK ZACHODNI and TRYBUNA ŚLASKA, have readerships of 8 and 7.6 percent, respectively, which ranks them after GAZETA WYBORCZA but ahead of the three above-mentioned national dailies. This report is based on a nationwide poll conducted in June and July on a representative 1,036-person sample of adult Polish population (ages 18-39). The information on the size of readership of a given newspaper takes into consideration all people declaring even sporadic contact with it.

Troubles With Privatization of Polish Press Agency

93EP0068B Warsaw GAZETA WYBORCZA in Polish
4 Nov 92 pp 12-13

[Article by Piotr Najsztub: "The Privatized Press Agency"]

"The Polish Press Agency [PAP]," says its director, Ignacy Rutkiewicz, "cannot be the object of political games. It must be independent. But let us not fool ourselves. PAP will never be economically self-supporting, just like other national agencies. But money from the government should not come to us in the form of a donation. It should come, rather, as payment for our services."

As a government institution, PAP receives many concessions. For example, it does not pay for the costs of usage and modernization of its equipment. At the moment it switches to its own reckoning, it will suffer a financial shock.

The Polish Telegraph Agency (PAT) was formed by President Stanislaw Wojciechowski on 26 June 1924. PAT was subordinate to the prime minister and was managed by a council chosen by him. PAT not only informed but also had its own photo and film service. It also provided advertisement services and was the central publisher of state documents. It supported itself financially.

In 1945, PAP took over the property of PAT. In the decree, it was written that the new agency would belong to the state and would provide for itself by selling its services as well as by receiving a subsidy from the State Treasury. PAP was to inform about the situation in Poland and to publish the daily MONITOR POLSKI and other official publications. It was also to convey official press announcements. The directors and the supervising council were chosen by the prime minister. PAP was supervised directly by the Minister of Propaganda and Information.

PAP survived in almost unchanged form until 1983. Then, a new law made it a "government press agency." This law is still in force today. It maintains PAP's informational monopoly and its position under direct control of the prime minister, and it calls PAP "a central office of state administration."

Under Tadeusz Mazowiecki's government, PAP ceased to be the trumpet of authority; however, since 1989, the political authorities have interfered many times in the agency's services. On the basis of the number of interventions uncovered by the press, we can say that the agency was the most "governmental" when Jan Olszewski and Waldemar Pawlak were prime minister.

However, all governments since 1989 have agreed formally to make PAP legally independent. In three years, three draft bills concerning it were prepared. The Sejm committee for mass media and culture has concerned itself first with the bill on radio and television.

The Sejm will take under consideration the first draft, completed during Rutkiewicz's first term, at the end of 1991.

PAP, according to the draft, will first become a one-person corporation of the State Treasury. Only later will some of the shares be sold to private investors. Only Polish citizens and Polish enterprises can be shareholders of PAP.

The project imposes an obligation upon the corporation to "gather objective and universal information, both from Poland and from abroad."

The corporation "cannot be found under the legal or physical control of any ideological, political, or economic group."

A program council, consisting of the president, the prime minister, the minister of foreign affairs, one representative from each journalist association, the Union of Press Publishers, radio, and Polish TV will enforce these principles. The organizational and financial aspects will be controlled by the supervisory board, which will include, according to the draft, two representatives of the minister of trade and industry, one representative of the Union of Press Publishers, one representative of each trade union actively working in the corporation, and the representatives of the agency staff. The agency would be directly supervised by a board, whose members would be chosen by both the program council and the supervisory board.

The draft also proposes that the buildings used by PAP and the territory on which the buildings are located be given to the future corporation and, along with equipment and connections, become its property.

Salaries today take up approximately 40 percent of PAP's budget. Only one and a half years ago, the agency employed more than 1,000 workers. After a year, 300 workers were fired. It is expected that another 150 employees will be fired.

PAP has 27 local and 14 foreign posts. The agency spends 11 percent of its budget on the upkeep of its foreign posts.

The agency rents all of its offices. It pays 1.2 billion zlotys for the main building on Jerusalem Avenue in Warsaw. Rent costs are approximately 25 percent of the budget. Therefore, PAP has given up many posts in various locations.

"After the transformation of the agency," says PAP General Director Jerzy Wysokinski, "it might be possible to keep them and transform them into a chain of advertising agencies. We must seriously save money, so as not to clip the wings of our future."

As a central branch in state administration, PAP does not have legal status. It therefore cannot own anything or conduct any economic activity. It can earn money: there is a proposal for a so-called Polish Press Agency Radio, which would work for local radio stations, providing a radio news service. In addition, the economics editors of the agency would like to form a corporation with the biggest banks to provide fast economic information. Initial negotiations with banks have already begun. But none of these projects can be achieved before privatization.

To avoid a financial disaster, the agency must work more cheaply. The deficit-bringing special bulletins have been

liquidated. In the past, their addressees were leaders of the Polish United Workers Party, Ministry of Internal Affairs employees, and so forth. The number of foreign posts has been limited, as well as the number of administrative employees.

If, as a result of the passage of a new law on PAP, the agency were to receive from the State Treasury the buildings and land it now rents, it could take care of itself financially, says Wysokinski.

Theoretically, one can assume that the largest national dailies would not have to make use of the PAP service because they monitor most major events themselves. The small, local papers are dependent on PAP; they cannot afford their own correspondents in the capital, yet must write about the most important political events. They are the agency's main clients, though the large papers pay the most for the service. Payment is dependent on the readership of a given title and ranges between 6 and 10 percent of its value (readership times cost of the paper).

It often happens that several regional or local newspapers join together for one subscription to the PAP service, which they all then use. Of late, the agency has decided to protect its copyright and has demanded of these pirates a one-time recompensation in the amount of 50 percent of a quarterly subscription and the signing of a normal contract with the agency.

Modernization and the sending of reports by means of satellite offers the chance to reduce costs. The first attempts at the latter took place in January 1992: Reports were sent by cable to Frankfurt and from there to Paris; from there, a satellite transmitter sent them to seven locations in Warsaw. The experiment, which lasted a week, was completely successful. To be safe (the cable to Frankfurt could be damaged), PAP has created a second possible path, through Budapest.

The French assisted in the whole enterprise; they would also support an eventual permanent satellite link for PAP. However, the agency would first have to find 50 recipients who would invest in satellite receivers. If PAP is able to organize a satellite network, it will certainly be in conflict with present law. The Ministry of Communications does not issue permission for that type of communication. "I expect immediate reaction from the post office, but I am determined to act outside the law. I will show that the regulations are not reasonable," says Wysokinski.

With PAP's switch to satellite communications, the Polish Post and Telecommunications Corp., which asks high payments for inflexible telephone and telex connections (totaling approximately 9 percent of all PAP costs), would see its business suffer.

"Our clients will have to invest in new receivers," emphasizes Wysokinski, "but they will thus achieve three benefits: quicker, accident-free, and cheaper information—cheaper because the costs of postal services rise along with inflation, while satellite communications, based on accounting in dollars, is free from that affliction."

During the transition period, PAP clients would have the opportunity to make use of both forms of communication. Since October, the agency is technically prepared to introduce satellite communications.

"We presented Prime Minister Jan Krzysztof Bielecki a draft of a bill and a packet of proposals for structural changes in December 1991," says Wysokinski. "Immediately thereafter, the government fell. Prime Minister Olszewski's team was not interested in the draft. It decided to start from zero and prepare its own. In Chairman Czabanski's safe (after his dismissal), we found a draft for a new bill on PAP, prepared by him, which no one had yet seen. It turned out that Czabanski loudly declared the idea of the agency's complete independence, while he quietly wanted to subordinate it to the prime minister. Two sections of his draft are evidence of this: Article 2, Point 2: 'Supervision of the agency will be carried out by the chair of the Council of Ministers, on the basis of the criterion of legality,' and Article 9, Point 3: 'The chair of the Agency Council immediately informs the chair of the Council of Ministers of the contents of resolutions passed by the Council.'"

"The speed of the transformation of PAP depends above all on the intentions of Prime Minister Hanna Suchocka's government," says Wysokinski.

Today, the Sejm's commission will consider for the first time the proposal for PAP's transformation.

Budget Allocated to Military Deemed Too Low

93EP0070A Warsaw *WPROST* in Polish
No 44, 1 Nov 92 pp 42-45

[Article by Bartlomiej Lesniewski: "The Guerrilla Option"]

[Text] In 1986, 8.3 percent of the budget was allocated to the military, whereas, in 1992, it was 6.6 percent. Six years ago, the Ministry of National Defense earmarked 37.5 percent of its budget for the acquisition and operation of equipment, whereas for this year it allocated 16.6 percent.

The present-day Polish army resembles the army before September 1939, in that it operates obsolete equipment and is underinvested. If that continues, we will soon have to rely solely on the popular levy and guerrillas.

The equipment available to the military is not only obsolete but also inefficient. The proportion of modern equipment to overall arms—that is, the so-called coefficient of modernity—is roughly 25 percent in Poland, thus being nearly half as low as the world norms. Data, viewed as "too optimistic," of the Main Inspectorate for Technology (GIT) of the Polish army indicate that only 95 percent of combat equipment and 80 percent of securing equipment (terrain vehicles, cistern trucks, and so forth) are usable. Colonel Antoni Grzedzinski, main inspector of technology, believes that this situation is due to diplomatic decisions and the disarmament treaties signed by Poland.

"The acquisition and activation of production of spare parts for tanks and vehicles we will soon have to destroy makes no sense," he claimed. "It would be simpler and

cheaper to use damaged armaments as a reservoir of spare parts for the still operational vehicles."

This is exactly what is being done the world over. But, in Poland, the wear of equipment is not being sufficiently offset by purchases of equivalent new arms. Every year, during the budget debate, the Sejm considers this matter to be secondary.

The military and its lobby are unable to persuade the authorities of the need to increase defense outlays. This situation has persisted since as far back as the late 1970's. Increasing the outlays on arms has endangered and is endangering a complete collapse of the nation's economy. This was realized by both the communist government and the current government. It is difficult to argue against the expediency of cuts in arms outlays, but the across-the-board approach to these cuts seems quite pointless.

In 1986, 8.5 percent of the budget was allocated to the military, and, in 1992, 6.6 percent. Six years ago, 37.5 percent of the budget of the Ministry of National Defense was spent on the acquisition and operation of equipment, whereas now it is 16.6 percent. Thus, there has been a change not only in the amount of funds allocated for national defense but also in the manner of their division: Most of the funds are now being spent on maintaining draftees and the career military personnel. To oversimplify, this means that money that could have been spent on the acquisition of equipment meeting the requirements of the modern field of battle is instead being "eaten up" by conscripts—that is, by people added to the military "by force."

There is not even enough money to buy sufficient quantities of aviation fuel. For that reason, Polish pilots are "undertrained": They fly only 40 hours annually, whereas pilots in other armies fly 120 to 200.

Such a way of financing the military is conducive to the so-called popular levy effect. The principal purpose of the command's activities at present is to train the largest possible number of conscripts. A majority are being trained with obsolete equipment that is, at best, suitable for street and guerrilla fighting. In effect, should Poland purchase higher-quality equipment in the future, the "trainees" would not know how to use it. But it would be highly suitable for combat in so-called territorial defense, the defense of cities, the involvement of any eventual army of occupation in guerrilla fighting, or the engagement in actions characteristic of the war now under way in Yugoslavia.

The acquisition of modern equipment would result in a marked decline in the demand for "conscripts-guerrillas," along with an increase in demand for small groups of experts in military equipment. Their retraining and subsequent adequate remuneration would become necessary. But the army high command does not want to decide on either, thus more or less consciously choosing the "guerrilla option."

Before the disintegration of the Soviet Union, that option was not entirely unjustified because it ensued from the

balance of forces: In an eventual confrontation with Soviet troops, or even with German ones, the Polish army had no chance anyway, although its existing strength was sufficient to ward off threats from other directions. It seems that the suggestion of the present chief of the General Staff, General Tadeusz Wilecki—"The army exists in order to exist," as a deterrent to the ambitions of big aggressors and blockage to small ones—may represent the best rationale for the behavior of the Polish army high command. Still, it also seems that such views no longer fit the present map of eventual dangers to Poland.

That is because the nascent armies of Belarus and Ukraine, which are taking over the property of the Red Army, may soon reach a combat value that will be much higher than that of the Polish army.

Still, the Soviet troops deployed around Kaliningrad represent the greatest potential danger to Poland. Some 200,000 troops are stationed there—or as many as in the entire Polish army. However, the combat value of the "Kalininograd units" is much higher, if only owing to their superior equipment. The ratio of naval forces is even worse; it appears that the fleet stationed at the Baltiyskaya Naval Base and in nearby Kaliningrad is capable of combat against the combined fleets of all of the Baltic countries and could crush the Polish Navy within a few hours.

In such a situation, foreign policy is the only way to neutralize these forces.

"Our primary objective is to bring about the departure of the Red Army from Poland and, subsequently, from Germany," said Jerzy Milewski, chief of the Bureau of National Security. "If the Russians claim that the sole area to which most troops can be evacuated is the region of Kaliningrad, protesting against the excessive militarization of that region might sound maladroit. We could do so only afterwards."

The question of Poland's NATO membership also remains unclear. According to recent declarations, the acceptance of Poland into the military structures of NATO can take place in 10 years, provided our military adapts a sufficient part of its systems to NATO standards. That would be a costly investment and even an unfeasible one, considering the current level of arms outlays. Col. Grzedzinski is of a different opinion. "The adaptation to NATO standards is continuing, and it is linked to modernizing the army. The program prepared is adapted to the provisions of the CFE-1 Disarmament Treaty, thanks to which we have the opportunity to get rid of old equipment. In the nature of things, this will increase our 'coefficient of modernity.' As regards the types of arms manufactured in Poland, such as tanks and armored transporters, even now we are reaching world-class norms. As regards other types, we are trying to establish coproduction ties to Western companies, and the

first fruit of these attempts will be the installation of 'friend-or-foe' decoders in Polish aircraft. Ultimately, we shall begin to acquire other arms equipment."

The Main Inspectorate of Technology expects the acquisitions to take place chiefly in the East. In the past few years, the output of the Russian arms industry plummeted by 69 percent, which has caused it to be at present an easy and low-cost partner. An additional asset of Russian arms is that they fit in with Polish infrastructure and homing systems. In effect, weapons bought in the East are only one-fifth as expensive as their Western counterparts.

It is also possible to order from Russia arms adapted to NATO standards. "Cooperation with the Russians at the moment is also a payments problem," added the chief of the Main Inspectorate of Technology. "At present, both Poland and Russia are retaining some of the equipment transferred to each other for repair. Both sides demand to be paid and accuse each other of dishonesty and an unwillingness to repay debts. At the same time, both in Poland and Russia, there is the will to cooperate because otherwise both sides will be losers. But, still, no agreement has been reached on mutual debts. Besides, although Russian equipment is much cheaper, we do not have the money for even such purchases."

This means that the doctrine developed by the Bureau of National Security and the Ministry of National Defense is not being applied; instead, Leszek Moculski's "guerrilla option" is. Poland cannot afford to maintain a large and strong army of conscripts; at the same time, the high command of the armed forces has so far lacked the courage to markedly restructure the military. It seems, likewise, that the establishment of the position of deputy minister for arms and infrastructure and the appointment to that position especially of retired General Jan Kuriata will not change much. Decisions to allot money to the military and to restructure outlays belong to politicians, and these most often view the military as the sole source of savings or a promisingly controversial subject in electoral campaigns. If their most pessimistic scenarios come true, the politicians will decommunize and "pare" the military to death.

**Coefficient of Modernity for Discrete Types
of Armaments of the Polish Military
(percentage of modern arms
in relation to all arms)**

Tanks	30 percent
Armored combat vehicles	62 percent
Artillery	32 percent
Helicopters	10 percent
Aircraft	25 percent

Conventional Arms Used by Poland and Its Neighbors
Before the Arms Reduction Envisaged by the CFE-1 Treaty

	Tanks	Armored Transporters	Artillery	Helicopters	Aircraft
Poland	2,850	23,77	2,300	29	654
Commonwealth of Independent States	20,694	29,348	13,828	1,330	6,445
Germany	7,093	9,598	4,644	357	1,064
CSFR	3,035	4,359	3,485	56	369
Denmark	419	316	393	3	106
Sweden	299	500	568	40	450

Conventional Arms Used by Poland and Its Neighbors
After the Arms Reduction Envisaged by the CFE-1 Treaty

	Tanks	Armored Transporters	Artillery	Helicopters	Aircraft
Poland	1,730	2,150	1,610	130	460
Commonwealth of Independent States	13,150	20,000	13,175	1,500	5,150
Germany	4,166	3,446	2,707	306	900
CSFR	1,435	3,050	1,150	75	345
Denmark	353	316	553	12	106

Foreign Trade Improves Balance of Payments

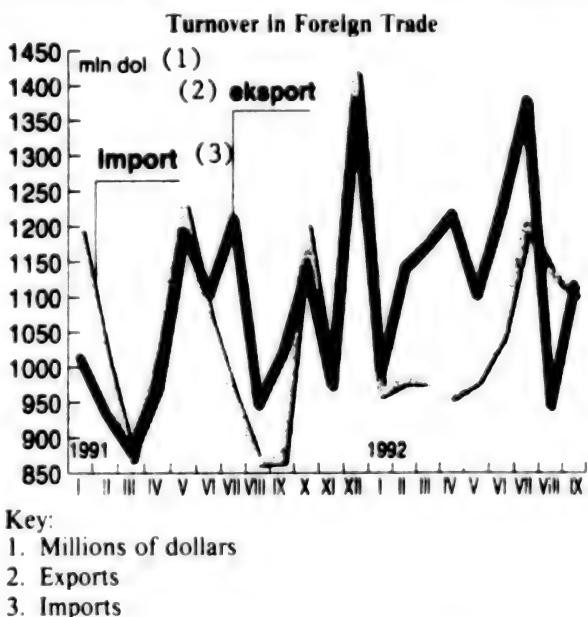
93EP0062D Warsaw RZECZPOSPOLITA
(ECONOMY AND MARKET supplement)
in Polish 24-25 Oct 92 p 1

[Article by Paweł Jabłonski: "Repaying Our Debts: Poland's Balance of Payments"]

[Text] The performance of Polish foreign trade is probably among the most laudable sides of our economy. After a temporary breakdown in the positive balance of trade in August, the balance was again favorable in September, although the excess of exports over imports was relatively insignificant—\$13 million.

As the graph shows, the improvement is due primarily to an increase in the value of exports. Imports also remained at a high level. Compared to the same period in 1991, the value was 2.5 percent higher. After nine months, the balance of foreign trade was \$1.019 billion, or 570.4 percent more than in 1991.

Włodzimierz Kicinski, director of the Foreign Department of the National Bank of Poland, reported during a press conference on the level of the current balance of payments. After nine months, this balance was \$242 million, a 50-percent decline compared to one month earlier. However, that is a result primarily of the greater value of interest paid to our creditors. During the first eight months, the balance of interest was a minus \$2.193 billion. After September, the balance declined to minus \$3.596 billion. This increase was compensated for in part by an increase in the value of the transfer balance, from \$1.370



billion to \$2.466 billion. The interest on loans provided to Poland by the members of the Club of Paris caused the great increase.

The most important element, however, is the favorable performance of foreign trade and the growing balance for services. In September, they produced \$30 million and, since the beginning of the year, \$271 million. That is 25 percent more than during the first nine months of 1991.

However, this performance was achieved with a 2-percent-lower value of incomes from this source and with an 8.2-percent reduction in expenditures.

The balance of assets after nine months was \$53 million. This category of current turnover includes income from foreign direct investments, dividends, and interest for foreign commercial paper.

Speaking of the performance of Poland's foreign trade, as presented by the National Bank of Poland, it is necessary to recall that the Central Office of Statistics has finally processed the data from SAD [Single Administrative Document] for the first quarter of 1992. The data show that the balance of trade during the period was negative, a minus \$359 million. Meanwhile, the data of the National Bank of Poland show that it was positive, \$385 million. In response to a question about the reasons for such a difference, Director Kicinski said that the data of the National Bank of Poland include the actual value of the transactions executed through the banks. From the point of view of the balance of payments, the data of the National Bank of Poland are surely more reliable. However, in examining the turnover of goods, one should draw on the declarations of SAD.

In the opinion of the National Bank of Poland, the massive purchase of convertible currency in 1991 in currency exchanges and the need to support them caused the unfavorable balance of payments and reserve levels. Director Kicinski, asked whether the current demand for dollars in exchanges is also affecting the balance of payments, said that in 1992 the connections between these two phenomena is much less and that the role of the exchange market is usually overemphasized.

Types of Employment Sought by Illegal Aliens

93EP0072B Poznan *WPROST* in Polish
No 44, 1 Nov 92 pp 21-22

[Article by Piotr Gajdzinski: "Gastarbeiter"]

[Text] How many *gastarbeiter* [guest workers] are there working in Poland? Legally and illegally—"off the books"? Those in-the-know say tens of thousands. Jobs are taken mainly by citizens of the former Soviet Union countries, who, it appears, work much harder than the Romanians and the Bulgarians who also visit us in large numbers.

The pay rates vary. In Bialystok as late as six months ago, the citizens of CIS [Commonwealth of Independent States] demanded 50,000 zlotys [Z] for an hour's work. Today they will not even consider less than Z150,000-200,000. In western Poland—for example, in Zielona Gora Voivodship—it is not hard to find a skilled worker for construction jobs at Z1-1.2 million for the entire month. But, to this, the employer must add the costs of meals and housing.

It is illegal to employ foreigners without the permission of the Voivodship Labor Office. The employer risks being fined, but the inspectors, mainly those from the National Labor Inspectorate and the Treasury offices, can also deprive him of the right to conduct economic activity.

Despite this, the risk is small.

In the summer, 30 Russians worked in one of the villages near Koszalin. "We picked strawberries," says Sergiej, who went from an illegal job to another equally illegal one, but the business was more profitable. "Everyone knew, of course, that we were working illegally, that the owner of the plantation was breaking the law. Even the police knew this. But they could not do very much. If our employer had hired Poles and paid them the going rate, he would have gone bankrupt a long time ago. You need us."

Arrivals of Foreigners in Poland (January-August 1992)

	Arrivals	Departures	Stayed
Former USSR	5,479,000	5,349,000	130,000
Romania	144,747	124,382	20,365
Bulgaria	44,734	37,013	7,721

The Treasury Office and the Labor Office in Kielce have been battling with the owner of a crafts plant, managed by a CIS citizen, for several months. Almost all of the skilled workers in the shop work illegally, for \$2 a day, and are recruited directly from Kiev.

This method has its good points: The employees sign a contract while they are still on the other side of the Bug River, and many of them do not know what the wage rates in Poland are. But, more frequently, the recruitment takes place on our side of the border. Special centers, known to those in the know, exist in all of the large cities. In Poznan, it is the flea market near the Warty Poznan stadium; in Bialystok it is the bazaar on Kawalerijkska Street, where announcements about jobs wanted or jobs available—"Young, handsome Russian will take any kind of job"—are broadcast on the radio. In Lodz, workers are sought by placing advertisements in the local press: "Will hire seamstress from former Soviet Union. Immediately."

It is precisely in occupations of this type—called "laborer"—that it is most difficult to find legal employment in Poland. The reason: unemployment. But there are exceptions to this rule also; there are 115 Russians employed in the Gdansk Shipyard.

"We have many jobless in the city, but, for the money the shipyard is offering, there are not many who want to come to work here," explains Jozef Burchardt, production manager.

Russians get approximately Z1.3 million a month. Poles earn over Z3 million.

In Zielona Gora Voivodship, many Russians remained after the units of the Soviet Army withdrew. They find shelter with Polish friends and work as salesmen in shops, as drivers for private firms, or as translators. In Czestochowa, shrimp shelling is a very popular job. It even attracts people with higher educations.

But the most popular jobs are those in construction, particularly in finishing work—painting, landscaping. In some regions—for example, in Wielkopolska—Russians,

Ukrainians, and Belorussians do seasonal work in agriculture. In eastern Poland, you see them in the machine and grinding shops and in service enterprises. In Bialystok, our neighbors from beyond the Bug are hired to guard transports and firms and to collect "difficult loans," or, very simply, to enforce past-due payments.

On the other hand, it is much harder for foreign women to get jobs. In Poland, they are primarily in sales. The alternative is working as charwomen or caring for old, sick people.

Specialists, and not just vacuum metal-platers, find jobs more quickly. The Labor Office in Zielona Gora Voivodship granted 240 permits for the employment of foreigners. In Lodz it was 288, in Czestochowa 111, and in Bialystok 77.

The bioenergy therapists, employed by private firms as well as by the Polish Red Cross, earning, in Lodz, as much as Z10 million a month, are the ones who make out the best.

It is also easy for musicians from the former USSR to find legal employment in Poland. Some of them are already members of the Czestochowa Philharmonic (eight persons), and, in Zielona Gora, they play in the Belorussian Bajan [accordionlike instrument] Ensemble, and violin, viola, trombone, and trumpet players are employed. English-language teachers, who came to Poland from Russia or Ukraine, work in several voivodships.

However, some ladies passing through Poland, who were eager to add to their bank accounts by working as stripteasers in nightclubs, were not made welcome in either Gdansk or Lodz.

Eight metalworkers from the former Soviet Union had no trouble finding jobs. They were employed by the Dernan Artistic and Commercial Glass Works in Rabien. The firm's management is very satisfied with the work of their *gastarbeiter*.

[Box, p 21]

Siergiej From Minsk:

Out of what I earn here, I support my whole family. Without this money, we would never be able to make it. Not so long ago, the shelves in the shops were covered with dust. Now they are filled with terribly expensive goods. During the summer, I tried to work a little in your vegetable markets, and I spent a few days in construction, but it is hard to get a good job. As a rule, those who come from the East are paid several times less than the Poles. But, at home, I earn scarcely a few dollars, and that is why here I am satisfied with a wage rate a "normal person" would not even consider.

[Box, p 22]

Jura From Czeboksar, Near Gorky:

Last year I did better in Poland. I immediately sold everything I brought in. Now it takes a whole month to do this. The work in the bazaar is not easy. The expression used most frequently is "Damn, but it's expensive," even though everything I have is two or three times cheaper than in a shop.

I come by the "Polonez" train to Terespol, which costs me \$17. Unfortunately, I have recently had to cross more borders, and, at each of them, I have to "grease a palm." The Belorussians and Ukrainians have it better. This year I have been in Poznan four times already, and will probably make about two more trips before the holidays. I sometimes live with a friend who invites me, but, as a rule, a few of us rent a room in a hotel. Deducting expenses for housing and food, I make Z3.5-4 million a month. That is not a lot of money, but, if I buy some used clothes here and sell them at home, I make out very well. I have not been looking for a job just yet, and I would not earn more money anyway. Maybe in the future, when the dollar in our country is cheaper, a job would be more profitable.

Where I live, Poznan is called "the beloved city." We joke that the border runs through our railroad station. Almost all of my friends earn a living the same way I do. I like Poland very much. I have been here and there, but I do not have time to see the sights, visit the churches, or go to the museum. Business is business.

[Box, p 22]

Ian Erik Karlsson, Sales Representative of IKEA:

I have been in Poland for three-and-a-half years. During that time, I have been able to observe all of the changes being made here. Today, there is no longer any basic difference between the consumer goods in Sweden and in your country, although it still costs much less to live here. But the Poles know that they are dealing with foreigners, and they immediately raise the prices of rented apartments and houses severalfold. It is obvious that no foreigner will come to your country to work if you offer him less than he could get in his own country.

The factories are still owned by the state, and the same people manage them in the same way they did before. Fortunately, a considerable number of small and dynamic factories are appearing and are headed by people who understand what buying and selling are. They look at production differently and know that they are dependent on the market. Much depends on your government. In the present situation, the financial terms and most of all the interest rate are not incentives for investment. If this changes and the situation on the European market, which is in a recession, improves, Western businessmen will come to Poland. Now they prefer East Asia.

Suto on Hungarian Minority's Education Needs

93BA0193A Bucharest ROMANIAI MAGYAR SZO
in Hungarian 31 Oct 92 p 4

[Interview with Hungarian minority writer Andras Suto by Lajos Miksa in Tigru Mures; date not given: "The Educational Needs of Hungarian Romanians Must Be Met by the Romanian State"—reprinted from KOZNEVELES No. 20, 1992]

[Excerpt] [Miksa] How has the ratio of Hungarian and Romanian students changed since the schools were unified by decree in 1958?

[Suto] Schools that had had 80 percent Hungarian and 20 percent Romanian classes to start out with, in 10 years were showing the exact opposite ratio: 80 percent Romanian and 20 Hungarian classes. That, despite the fact that 60 to 70 percent of the students enrolled in the so-called Romanian classes were Hungarian children. For at the outset they established the Hungarian and Romanian quotas, which obviously meant that many Hungarian students were forced to apply to enroll in Romanian classes where nothing was taught in Hungarian, and where only elective opportunities were occasionally provided to study Hungarian literature and grammar. In effect, however, this was nothing more than a miserable, sadly inadequate and futile concession.

[Miksa] Was that also the case in Szekely land? The reason I am asking is because the Hungarians as a bloc constitute an overwhelming majority here.

[Suto] It was in Szekely land where the consequences of that absurd and mean-spirited state-sponsored policy have been the most blatant. For it is worth noting, for example, that in December 1989, the class ratios in the schools of Szekelyudvarhely [Odorheiu Secuiesc], a city made up of 99.9 percent Hungarian inhabitants, were established as follows: 60 percent of the city's students were forced to study in schools where the language of instruction was Romanian. It was to match that ratio that the Romanian Government began to send in large numbers of Romanian high school and elementary school teachers, in other words an entire instructional network. That was the goal to which all forms of resettlement have been adjusted. It was in the course of that campaign that whatever remained of Hungarian education also became fair game in the sense that the new masters of the courses that had formerly been taught in Hungarian in the Hungarian classes—ethnic Romanian elementary and high school teachers—simply changed the language of instruction. They have insisted on teaching only in Romanian even in the case of courses that had been authorized to be taught in Hungarian, saying simply that they did not understand that language. It is not their duty, they have insisted, to educate Szekelyudvarhely in Hungarian; it is the populace, the youth of Szekelyudvarhely who should master the Romanian language in which the teachers can best convey their knowledge.

[Miksa] I have heard that the political transformation has also brought positive changes.

[Suto] There have undoubtedly been several positive results, starting already in 1990. Many of them we have been able to preserve. Let us not forget, however, that the populace of Szekely land amounts to a little more than one-third of the total number of Hungarians in Romania. In other words, two-thirds of the Hungarian populace live not in blocs, but scattered around the country. And the school network serving those people has barely showed any improvements in our favor. Moreover, where it has changed in our favor our already established institutions where the language of instruction is Hungarian, have become targets of an all-out assault, as in Szentendre [Satu Mare], Nagyvarad [Oradea], Kolozsvar [Cluj-Napoca].... It is evident how certain neo-Fascist mayors and educational almighty gods are working to revive Ceausescu's plans aimed at completely eliminating Hungarian education in Romania.

[Miksa] I have heard some say that the churches are the ones that can save and reorganize the Hungarian school system in Romania.

[Suto] Those entertaining such hopes are obviously recalling the experiences of the interwar period. For when it comes to helping the cause of Hungarian education between the two world wars, the churches—especially the Reformed, Catholic, and Unitarian churches—deserve our eternal gratitude. It might be added, however, that the churches today do not possess the kinds of resources, which between the two world wars made it possible to maintain and operate such historic and outstanding Hungarian educational institutions as Bethlen College. Let us not forget that in 1920, Bethlen College had still owned 10,000 acres of property, including a combination of forests and farm land. Let us remember furthermore that the college also controlled hundreds of hectares of vineyards, which had earned it enormous revenues. Today it has nothing. Nothing except dirt and feces up to their ankles from what once were flush toilets. It is true that the situation I am describing reflects the situation of a couple of years ago. Enyed College has since been nicely restored with foreign assistance.

[Miksa] So the struggle will continue to have to be fought in the political arena?

[Suto] Of course. We must be unyielding and firm in adhering to the demand we had laid down at the end of December 1989: the Romanian state must provide the country's 2,000,000 Hungarian inhabitants with a complete, unrestricted, independent and autonomous educational system from kindergarten all the way to the university level. To the extent it fails to meet that need, it also fails to meet the commitment it made before the international community. It may then be charged with failing to ensure the basic requirements of democracy, and of saying one thing to the international forums and another to its own people. Inasmuch as the Romanian state fails to meet that obligation it cannot expect to be guaranteed that Romania's Hungarian minority will remain loyal to this Romanian state. You cannot expect a people to remain loyal to a state and government that deprives it of its fundamental rights, and which periodically tries to coerce

it by every means possible to leave its homeland. One—of many—means of such coercion is the deprivation of 60 percent of Romania's Hungarian youth of the opportunity to be able to study in their own language.

[Miksa] Are Hungarians in Romania united in their views about the educational situation?

[Suto] Unfortunately we also have teachers, education policymakers and university professors, who either out of ignorance or for whatever, in my opinion, incomprehensible reasons have tried to paint an idyllic picture of our present situation. Recently I have read an interview with a university professor in Kolozsvar, who claimed that for the most part the problems of Hungarian education have been "resolved." Astounding! Astounding for two reasons: First, because I cannot see how anyone who is that misinformed has the gall to address the issue. And if she does know the truth, then one must ask what is behind her statement, what prompted her to say the kinds of cynically misleading things that could only be heard from the mouths of the flunkies and lackeys of the Ceausescu dictatorship, who had been able to paint such an idyllic picture about our minority existence that even Washington was convinced that a Hungarian paradise had been created here. I also find it incredible that despite the determination with which we have pursued the reestablishment of Bolyai University, gradually the prospects of getting that demand fulfilled have all but dissipated.

Since it was first made, we have seen three revised versions of the demand submitted—I do not know to whom, but definitely somewhere, to somebody—for the establishment of a private Hungarian university. We definitely appear to be relinquishing our just demand, that the Romanian state adhere to its obligation to reestablish the Hungarian-language Bolyai University from the profits, taxes, labor and sweat generated by the material production of the Hungarian masses.

[Miksa] What can the mother country, more specifically the Hungarian cultural leadership do to help?

[Suto] I believe the assistance provided by the cultural leadership has been constant, touchingly multifaceted and of the purest possible human intentions. The relentless display of support on the part of a poor country has been moving to me personally. And it is difficult to put into words the positive spiritual and moral impact it has had on

the Hungarian youth of Transylvania. It has provided us with encouragement and hope.

However, here we must pause for a second to make it unequivocally clear: The educational needs of Hungarian Romanians must be met by the Romanian state! Assistance from the Hungarian state is very important, the help of the Hungarian ministry is also crucial, as is the support of every Hungarian educational forum—be it in the form of spiritual, moral or material aid—but these can only partially contribute to our revival, to the process that has come to a sudden standstill in this country and is threatened by new dangers. It is nevertheless a process which—I hope—will be taken up with new vigor again, provided that the UDMR [Democratic Alliance of Hungarians in Romania—RMDSz in Hungarian], as the main organization charged with protecting the interests of Hungarian Romanians also undergoes a revival, assumes an appropriately radical posture, and appoints to its helm responsible, well-informed, and consistently committed people. If the present alliance, which heretofore has been a loose and easy-to-mold bloc, could somehow be turned into a dynamic, united and determined mass party, then we will probably also be able to make advances in the area of education. We should, of course, also take into account the fact that the UDMR is also affected by the general development of Romanian conditions. More specifically, by the strengthening of the forces of the democratic Romanian opposition.

I am well aware of the fact that we are talking about lengthy and complex processes. I can also understand those who keep cautioning us that we will not be able to realize all of this overnight. What I cannot understand, however, is how people who are aware of our difficulties and have themselves experienced the bloody dangers facing us in the course of our struggle for an educational network can suddenly become scared and change their views. And now we even have public representatives who are telling us that "we also have not been completely innocent and pure." For a long time we had also consistently oppressed our Romanian brothers, so we should not be surprised if their oppression of us continues for a while. Let us be patient, they say, and wait until today's Romanian society rises to the level of the European democracies, which will take at least 200 years. Well, I for one have to say thanks but no thanks to such an understanding Hungarian reminder about the next 200 years. For it amounts to nothing more than a resurgence of the boundless display of appeasement that was so prevalent under Ceausescu. [passage omitted]

Travnik Leader Denies Mujahidin Leader's Capture

93AE0095A London AL-HAYAH in Arabic
30 Oct 92 pp 1, 4

[Article by As'ad Taha: "Capture of Arab Mujahidin Leader by Croatians Denied"]

[Text] Zagreb—The chairman of the Bosnian Emergency Committee, Shawqi 'Umar, has denied a statement by the spokesman for the Croatian Defense Council to AL-SHARQ AL-AWSAT that the leader of the Arab mujahidin had been captured by Croatian forces. Mr. 'Umar said that his information indicated otherwise, that the head of the "Islamic Forces" was of Bosnian-Hercegovinian origin and not from the mujahidin forces from the Arab and Islamic world.

AL-SHARQ AL-AWSAT sought clarification from Haso Ribo, commander of the Bosnian Defense Forces in the Travnik area. He denied by telephone the report that the mujahidin leader, Abu 'Abd-al-'Aziz, had been captured, but refused to state the identity of the leader who had been imprisoned.

It should be mentioned that AL-SHARQ AL-AWSAT was the first to meet Abu 'Abd-al-'Aziz, the leader of the mujahidin from the Islamic countries.

In a related development, while elegant halls, first-class hotels, and presidential palaces witness endless negotiations to resolve the crisis in Bosnia-Hercegovina, about half a million of its people—the aged, women, and children—remain exposed to the cold, rain, and snow in refugee centers. Croatia has lost patience with these. Its government recently issued a decree dated 22 September 1992 to prevent the reception of new refugees by imposing strict surveillance measures at the border between Croatia and Bosnia.

Under this decree, Croatian authorities have given the refugee centers, which consist of schools, sports facilities, or hotels, a deadline of two months to be emptied. Although these centers remain below human living standards, with refugees of various ages and different needs crowded into them, they are still far better than the tents in which some refugees live.

It is hard to imagine how the elderly, women, and children (including infants) can live in tents, some of which are torn, under heavy rain, soon to be followed by snow and subzero temperatures, without any means of heat. There is even a great shortage of blankets, not to mention food, especially baby food, and medicine, including antibiotics to treat winter diseases. It was therefore no surprise that Bosnia's foreign minister, Haris Silajdzic, said at the Geneva talks: "We fear that the coming winter may lead to the death of tens of thousands of innocent people." He added, "Our cities are still besieged, and their inhabitants are dying of hunger."

While the inhabitants of Bosnia's besieged cities are threatened with starvation as winter approaches and as snows close the secret paths over which they were able to receive some food, the Croatian newspaper VERCERNJI LIST

warns that "there are frightening reports indicating that if the international community does not take decisive steps to extinguish the fires raging in Bosnia-Hercegovina, the winter will lead directly or indirectly to the death of hundreds of thousands of people."

The tragic conditions are worst in the refugee gathering centers inside Bosnia-Hercegovina. Reports coming out state that those most threatened with death are children, the elderly, the sick, and the injured. People there have no time to ready themselves and prepare for winter, because they are preoccupied with protecting their lives. They have no food with which to nourish themselves, let alone electricity, fuel, or water. They do not even have roofs over their heads or shelter.

Mrs. (Emilia Omarasic), the official in charge of the Refugee Bureau in the government of Bosnia-Hercegovina, described the conditions to AL-SHARQ AL-AWSAT: "The winter is stronger than the enemy. It can reach the areas most secure from Serbian fire." She added: "To deal with the new crisis, the government has prepared a program, which we have sent to the United Nations—it was discussed in Geneva—hoping that the international community will help us."

In a related development, Lord David Owen, one of the international mediators in Yugoslavia, said that Bosnia-Hercegovina "has begun to resemble Lebanon."

He called on the international community to "give the impression of readiness to treat Bosnia's Muslims as the Jews of Europe were treated 50 years ago." He warned that the repercussions would be "of extreme seriousness and could last for centuries."

Owen said: "Muslims have the right to fight in the face of the utter rejection of any international agreement."

Banja Luka Assembly on Media, Other Issues

93BA0293A Banja Luka GLAS SRPSKI
in Serbo-Croatian 17 Oct 92 p 3

[Article by A. Anusic: "Special Session of Assembly of Banja Luka Opstina: Line of National Interest"]

[Text] A proposal transferring the charter rights of "Television Banja Luka," "Radio Banja Luka," and the JNIGP GLAS firm from the Assembly of Banja Luka Opstina to the Assembly of the Serbian Republic [RS] was adopted; also accepted was information on the security situation and on supplying the city with basic energy and food products.

Banja Luka, 16 Oct—The pretext for today's special session of the Banja Luka parliament was to present information on security in the territory of Banja Luka Opstina, as well as information on supplying the city with basic energy (electricity and crude oil) and food and nonfood items, and to confirm the proposed decision to transfer the charter rights of the public enterprise "Television Banja Luka," the JNIGP GLAS BANJA LUKA, and JP [public enterprise] "Radio Banja Luka" from Banja Luka Opstina to the Assembly of the Serbian Republic. Paying tribute to Television Banja Luka and Radio Banja Luka in the battle for the truth about the Serbian nation and its struggle in

the territory of the Serbian Republic, the minister of information of the Serbian Republic, Velibor Ostožić, put forward a plan to unite the three media houses into a unified information sector for the Serbian Republic. "We decided," Minister Ostožić said, "in favor of a dissected, technically and technologically strong, and modern, but most of all democratic information system, which will clearly be permeated by the line of the national interest."

According to the plan that the minister of information presented to committee members from the Banja Luka parliament, provisions are made for the establishment of a unified Radio-Television Serbian Republic enterprise, whereby the idea is not to reduce it to only one, central studio, as is the case now in the old system, but rather to have it consist of two studios of equal status—one in Banja Luka and the other in Sarajevo, or rather Pale. These two studios would share the work of information, in accordance with their personnel and technical capabilities, so that it is possible that Banja Luka would first broadcast a central daily news show and the next time the studio in Pale would do so. A similar arrangement is also planned for Radio Banja Luka, whereby that media house would have several program-networks of its own, which would satisfy joint, but also local needs—both those of the Serbian Republic and those of the region where it is located. Specifically, it is planned that there be a central, republican studio of Radio Banja Luka, as well as another network—a media umbrella for the opština. Besides Radio Banja Luka, there are plans for two other radio stations—in Bijeljina and Pale. Naturally, this entire diffuse system will be interconnected, both technically-technologically and through a high-quality network of reporters.

Discussing the reregistration of GLAS SRPSKI as a republican publication, Minister Ostožić emphasized that the Serbian Republic must have a strong, democratic daily newspaper, but also a strong, modern, and unified journalistic-publishing enterprise, which will be able to meet the needs of the Serbian Republic in the field of publishing (textbooks, literature), as well as in the field of graphic and other office-administrative needs.

Minister Ostožić stressed in particular that no media house should fear for its property, in which it or Banja Luka Opština have invested financial resources for years or decades, because that property will remain where it has always been. The minister of information also informed the present director of the JNIGP GLAS, Mr. Josif Rakic, that ownership of the captured property of the former OSLOBODJENJE (throughout the entire territory of the Serbian Republic) will pass to the GLAS enterprise. He also announced the upcoming promulgation of a Law on Information in the Serbian Republic, while with regard to the selection of directors of public enterprises and of chief and responsible editors, as well as editorial policy, the Assembly of the Serbian Republic will deal with that.

A special Assembly committee, comprising scholars and persons involved in cultural and public affairs will deal with editorial policy in particular.

The directors of Television Banja Luka and Radio Banja Luka did not appear for the discussion following the presentation by Minister Ostožić.

Caution and doubts about the nationalization of the entire JNIGP GLAS enterprise were expressed by—in addition to director Rakic, who for this purpose and in this regard submitted a written statement—the following people as well: Dusko Jaksic, the director of the Economic Institute, and then committee members Teodor Brkovic and Momo Bulajic, the chairman of the SDS [Serbian Democratic Party] committee caucus. They were all of the opinion that only the charter rights to GLAS SRPSKI should be transferred to the Assembly of the Serbian Republic, but that the other parts of the enterprise should remain "free" and be left up to the free economic market. After a brief discussion, however, the committee members adopted the proposed decision on transferring the charter rights to all three media houses to the RS Assembly.

Concerning the security situation in the territory of Banja Luka Opština, information was presented by Stojan Zupljanin and Vlado Tutus, who assessed the situation in this area as being favorable and satisfactory enough, despite the encirclement of war and various tensions and intentions by certain extremist Muslim groups in Banja Luka.

According to information from Radovan Bajic, the secretary of the Secretariat for the Economy of the Executive Council of the SO [Serbian Opština of] Banja Luka, the heating season in Banja Luka could begin sometime around 15 November. By that time, there could also be better supplies of electric energy. Bajic informed the committee members that through the mediation of "Unicep" and "Rudije Cajaveca," 10,000 metric tons of crude oil had been paid for, the first quantities of which should begin arriving in Banja Luka after 20 October.

Despite the shortage of wheat for bread, the supply of bread and flour is somewhat satisfactory. The situation is similar with other food and nonfood products. The only thing lacking is cooking oil and wood for "private" heating.

The committee members today also approved a decision on changing the decision on public order and peace, and a decision on changing the decision on stipulating the work hours of hotels and restaurants in the territory of Banja Luka Opština (in the future, the work hours will be from 0700 to 1900).

[Box, p 3]

State Needs All of GLAS Enterprise

Velibor Ostožić: "If GLAS SRPSKI becomes state-owned, then that does not mean that it is also party-run. Moreover, taking over the newspaper only, without the printing press, or vice versa, is completely useless. Because the state must have its own strong mouthpiece, but at the same time a strong and powerful journalistic-publishing enterprise as well. Thus, the idea of GLAS SRPSKI without publishing

and graphics operations is completely useless to the Serbian Republic. In that case, I will be forced to launch the publication of a new newspaper through the Assembly, be it a daily or a weekly...."

[Box, p 3]

Greater Caution in Nationalizing Newspapers

Dr. Dusko Jakšić: "GLAS SRPSKI has played a significant role in this region during this entire time of war. For those of us here, it has replaced all daily, weekly, and other monthly newspapers and publications. From the

economic standpoint, however, I would like to address to the proposed transfer for charter rights to the entire GLAS enterprise to the Serbian Republic. I think that this should be approached with much more caution, because as far as I know Europe no longer has any state newspapers. There, the trend is toward privatizing journalistic activities. Therefore, we should not let something like the situation with POLITIKA happen to us, with the burden of all those problems. Moreover, I expect that other newspapers will appear in the territory of the Serbian Republic...."

Austrian Paper Cited on Slovak Weapons

93BA0292F Belgrade *POLITIKA* in Serbo-Croatian
22 Nov 92 p 2

[Article by Z. Rakic: "Affair That Vienna Is Talking About: Slovak Arms for Croatia"]

[Text] *How the Austrian-Slovak-Croatian connection worked; discovery by Austrian weekly NEWS; former manager of "Astra" bought a 12-million-schilling villa in prestigious Vienna neighborhood.*

Vienna, 21 Nov—Was there a Slovak-Austrian-Croatian connection in the illegal trade in arms that Slovakia sold Croatia? The first public report on black-marketeering in arms between Bratislava and Zagreb appeared last month in the high-circulation Austrian weekly NEWS, where it was emphasized that the whole story is of interest to Austria as well, because the name of former Austrian Minister for the Interior Karl Blecha turns up among the intermediaries.

The former minister denied everything at the time, explaining that his business with Croatia related to the sale of transformers and irons. Now, however, NEWS has published many details concerning this illegal trade, citing the testimony of an unnamed former agent of the Slovak state security service. Several Austrian, Croatian, and Slovak names turn up in his story.

Where To Go With the Arms

The key figure in this illegal arms trade identified by the agent is Peter Kelbel, 40, a respected Austrian businessman previously known in Vienna for his unsuccessful attempt to buy the large "Steifl" department store. After that failure, Kelbel went east and stopped in Bratislava.

Thanks to his business partner's connections, Kelbel met Vladimir Meciar, the current Slovak prime minister but at the time the leader of the opposition. Kelbel took over Meciar's party newspaper, NOVY CAS, secured new technology, and the newspaper quickly jumped from a circulation of 7,000 to as much as 200,000. The Slovak agent alleges that publishing the newspaper was only a good cover for Kelbel, and that his main occupation was reselling arms.

And where Slovakia is concerned, arms are available in abundance. In the common state of the Czechs and Slovaks, almost the entire military industry was located in Slovakia. After the collapse of the Eastern military alliance, that industry was left without work, so that the Slovak authorities are trying to find buyers on the other side. Here, Croatia emerged as an ideal partner.

Because of this, it comes as no surprise that the second key figure in this illegal deal is Aleksandar Luksic, for many years the representative of Croatia's INA [Petroleum Refining and Sales Enterprise] in Vienna. Luksic met Peter Kelbel in the Austrian capital. It appears that Kelbel, among other things, was interested in buying Broz's yacht, the "Podgorica." The deal fell through, but Kelbel was entranced by Luksic's abilities, so that he authorized him to serve as his agent in Prague and Bratislava.

All the Business of the Former Minister

The third partner in the illegal arms trade between Croatia and Slovakia was the aforementioned Karl Blecha, a former minister for the interior in the government of Chancellor Vranitzky, who became an expert on the East after the end of his political career. A year ago, Blecha founded the "Mitropa Institute for Economic and Social Research," which was oriented toward the members of the former East Bloc. However, Blecha also had excellent business connections in Zagreb, especially since he has always had "access" even to President Tudjman.

In order to legalize business contacts with his Croatian partners, Blecha also founded the company "Koncar-Mitropa," which was supposedly involved in exporting transformers and irons. After the first charges of Blecha's involvement in illegal arms shipments to Croatia were aired, "Koncar-Mitropa" was liquidated. However, another company set up on 26 May of this year still exists; it was founded by the former Austrian minister and his partner from Zagreb—the Agency for Commercial Activity—this time under the name "Mitropa Commercial Agency."

NEWS has now revealed that Blecha's partner in Zagreb is registered under a deep veil of secrecy because the Croatian Secret Service is in fact behind the agency. Blecha's main Croatian business partners are indicated to be Zeljko Tomljenovic, currently the assistant minister of internal affairs, and Nikola Marakovic, for many years the representative of the Croatian state enterprise "Astra" in Milan.

Concerning Zeljko Tomljenovic, the Austrian weekly says that he previously studied in Belgrade and that he is Tudjman's top man for the purchase of foreign arms. His partner, Nikola Marakovic—NEWS adds that he is the "son of a Partisan hero and is married to the daughter of a prominent general in the former Yugoslav army"—worked as the "Astra" representative in Milan for more than 15 years. It is known from earlier that this very company was also the main procurer of arms for the Tudjman regime.

This past summer, Marakovic became an independent businessman, and in May he even obtained Austrian citizenship; he himself asserts that he is currently selling anticorrosive agents to Russia. It appears that business is good, because last year Marakovic bought a villa in an exclusive Vienna neighborhood for 12 million schillings.

All the suspects in the secret supply of Slovak arms to Croatia reject these charges, of course. Especially insistent is former Minister Blecha, who has repeated his earlier statement on business associated with the export of transformers and irons. In its effort to uncover the truth, the Austrian weekly NEWS also spoke with people at the Austro-Croatian Society in Vienna. They too confirmed that Karl Blecha's partners are "members of the former Yugoslav secret service."

Thus, the circle of business is definitively closed. The only question that remains is who Karl Blecha is actually

"ironing" and how it is that former secret agents, high-ranking police officials, and confident merchants are now growing rich by "removing rust."

Croatian Economist on Dismal Situation

93BA0280F Belgrade *BORBA* in Serbo-Croatian
19 Nov 92 p 10

[Article by N.B. based on statements by Croatian economist Branko Horvat: "Never Worse, Blacker Days Lie Ahead"]

[Text] "Croatia's position in Europe and the world is worse than it has ever been, and the citizens of Croatia have only a muddled idea of what is going on thanks to our media," is the judgment of Dr. Branko Horvat on behalf of the Social Democratic Union [SDU], according to SLOBODAN DALMACIJA. "We learned that Prime Minister Sarinic has sent a letter complaining that Croatia is being discriminated against for political reasons, and Stipe Mesic admits on Austrian TV that we are on the very verge of having sanctions instituted against us."

"Two or three days after that even Lord Owen 'blurted out' the same assertion, but our news media are busy proving that people abroad are uninformed and are maliciously preparing a 'plot' against democratic Croatia. I have knowledge that the possibility of sanctions has been hinted to the Croatian Government in an internal conversation."

"The reasons are Croatia's military intervention in Bosnia and Herzegovina, an independent state, in which the behavior of the Croats has been identical to that of Karadzic, and the human rights situation in the Republic of Croatia itself. International factors are aware that our military units are present on the territory of B-H [Bosnia-Herzegovina], that the Serbian in Bosnia, at least formally, has fled. Karadzic's state is being legitimized by the creation of a Croatian state on the territory of Bosnia, which is certainly not in the interest of Croatia."

"Instead of a border on the Drina, we are getting a border of some kind of Serbian state near Petrinja. In the sphere of human rights or their violation, the situation is still more dramatic, but information about this comes from foreign sources. According to the Helsinki Watch report, the truth is that the Serbian side is the leader, but Croatian society is precisely concerned with the war crimes and violations of human rights committed by people who arbitrarily call themselves Croats. Instead of our media 'cleansing their conscience' by pointing a finger at such people and cases, they are doing precisely the opposite, pointing a finger only at the other side. That is why a citizen of Croatia must learn about those examples from publications such as the daily bulletin of the U.S. Embassy."

"The report of the CSCE commission speaks about forcible deportation of Serbs, imprisonment of inhabitants of entire villages to serve as hostages for exchange, and destruction of homes. It mentions that the houses of Croats mostly suffered in wartime operations, while the houses of Serbs were destroyed mostly after the Vance Plan was adopted, so that their owners would have nowhere to return. The report says that in the last 10 months more

than 6,000 houses have been destroyed and that in some areas lists of Serbian property which are to be destroyed have been prepared by none other than officials of the incumbent party."

"And the question of the 'certificate of nationality' is also a violation of human rights. To go further, the government has a complete monopoly on television and on a good portion of the newspapers. In a democratic country, there would be loud demands, if nothing else, to look into the truthfulness of such allegations and to conduct a judicial inquiry. The worst thing is that our public is silent, or people write that the foreign public is uninformed, and even—according to the Belgrade formula—that an international plot is being cooked up against Croatia."

"The only opinion that has been formed in Europe is that Croatia is a wild Balkan 'land,' and the sanctions which are mentioned are already in the works. There are a number of programs from which we have been excluded, we have not been received in PHARE [EC aid program for Eastern Europe], while Slovenia has already received \$30 million from that program. The 'Tempus' and ACE programs have been blocked, while several dozen foreign foundations are operating in the East European countries. Visas are being introduced for citizens of Croatia, but it is not confirming its sovereignty even with the customary principle of reciprocity. Scientific work does not have the communications which previously were mandatory."

"If the HDZ [Croatian Democratic Community] does not alter its policy essentially, if the law-governed and democratic state does not begin to function, still blacker days lie ahead for us. But citizens must not perceive this as a natural disaster that has come by surprise, because all of this was known long ago...."

Vanishing Middle Class in Impoverished Croatia

93BA0236B Ljubljana *DELO* in Slovene
14 Nov 92 p 26

[Article by Ines Sabalic: "Above the Abyss"]

[Text] A student from Santa Barbara, Demian D. Duggan, the son of a California millionaire, visited Croatia a few months ago at the invitation of a friend of Croatian descent whom he met in swimming class. At a Zagreb discotheque he met 20-year-old model and law student Sanja, and consequently stayed longer on the visit than he had planned. In order not to waste time idly, he decided that he would import Mars, Milky Way, and Bounty chocolate bars. In a few months Demian and Sanja, who currently speaks five languages, earned good money. Duggan junior, however, announced that he had yet to engage in real business, together with his father. We asked him whether he was aware that the economic crisis had almost destroyed the current class in Croatia, so that a multitude of poor people and a handful of wealthier ones were left, and that such a property structure in Croatia could have a bad effect upon enterprise.

"I am not afraid of that at all," Demian Duggan answered with youthful sincerity. "I think that the upper class will completely compensate for the collapsing middle class."

The wealthier class has already played an important role in Croatia. In my opinion, the upper class is the real locomotive of society during the period of transition from socialism to capitalism. If Czechoslovakia, which did not have a wealthy class, had experienced that kind of war it would have collapsed. In Croatia, however, that 8 to 10 percent of wealthy people are still making purchases and thus the economy is maintaining itself, in spite of tremendous inflation and the decline in the value of the national product."

The diagnosis of the young, pragmatic American seems convincing enough, and learned Zagreb professors and wise analysts who could not find anything good for Croatia in the collapse of the middle class, to which they belong themselves, could probably be outraged by it. And those 8 to 10 percent rich people who are still squandering money are actually also the answer to a question that a foreigner in Zagreb asks himself: How is it possible that in a devastated country that is still at war and is spending 2 million marks a day on refugees, in a country with a destroyed economy, bistros and restaurants are still full and people are dressed well? The glitter of the Zagreb urban milieu is an illusion—the golden youth, the children of those 8 to 10 percent rich people, are only an ornament for the city. Many lawyers, doctors, journalists, and secondary school or university professors cannot even afford a cup of coffee in one of the cafes on Ban Jelacic Square, and that should be taken literally. They really cannot afford such a luxury, since if they could, they would probably buy all the schoolbooks for their children, something that many parents did not do this year. They only bought the mandatory, necessary textbooks, but not the collections of exercises, and they are demanding that the teachers and professors write them on the blackboard for their children.

Although it does not bother the young American that he will not have anyone to sell his imported goods to, the impoverishment of the middle class will certainly have terrible consequences, if Croatia is to become a modern European state with a European model of democracy, the basis for which is the middle class. If the latter dies, there will not be any basis for the development of a multiparty system that would really be effective. With respect to the 8-10 percent wealthy people, without being able to know how much they have been enriched by war profiteering, one can, however, assume that there are a considerable number of such people, and that we could describe Croatia as a South American state with a greater or lesser degree of democracy. If the impoverishment of society continues, one can expect that several bourgeois parties, such as Budisa's Liberals, will no longer be present in future elections. The convincing victory of the HDZ [Croatian Democratic Community] in the past elections has now also shown its other, unpleasant side. With that kind of structure, with a weak and insignificant opposition in the Assembly, and Sarinic's uncommunicative government, a day has come when a real struggle for power is being waged in Croatia—within the HDZ leadership, in which at least two if not more factions can be perceived. The most radical one, which took over some of the ideas of the Croatian Rights Party [HSP] and is supposedly led by

Defense Minister Gjoko Susak, is trying to supplant the current ruling structure, which includes Tudjman's closest collaborators, for instance Manolic and Mesic. On the basis of the scant information that leaks out to the public from time to time, it is possible to surmise that a fierce and decisive political battle for dominance has begun. The problem is hard to identify, since the challengers are extremely careless about the public's reactions, and they care so little about it that they do not even have any spokesmen for their political positions. It is only in exceptional cases that they react with official communiques or interviews that can be conducted by servilely obsequious journalists. These are obviously not interviews in the real sense, but rather a mere listing of positions.

This, however, is not just a struggle for dominance in the ruling party. Since Croatian policy is actually shaped in the HDZ's leadership, and since crucial decisions are made there, including ones on war and peace, it is very important who will win there. The victorious faction will shape the strategy of the political, economic, and social program for Croatia's development. The victorious faction will have the power.

In the past weeks, several independent analysts, on the basis of the personnel changes in state institutions, have noted that the radical faction is becoming considerably stronger, and it can be expected to strike again. The critical Croatian press, or what is left of it, is supporting the faction represented by Manolic and Mesic. A short time ago anything like that could not have been imagined, but that attitude certainly demonstrates the danger to democracy that the critical public sees in the HDZ's radical faction. If nothing else, Manolic and Mesic are still willing to state their positions publicly and discuss them, and fight for affirmation in public. So far Dr. Tudjman's prestige has always succeeded in smoothing over the differences between the hard and soft factions in the HDZ, and thus he has pursued a balance between the former and the latter. If he is forced to make a choice, he will probably pick Manolic and Mesic. One can surmise how strong the challengers are from several apparently less important events. Major General Karl Gorinsek of the Croatian Army was recently retired. They say that the retirement was a punishment for the former commander in the Slavonia battlefield, because he decided that the Croatian Army would attack Beli Manastir in order to occupy Baranja again. It is also possible that Tudjman sacrificed Gorinsek, his favorite, in order to buy off Branimir Glavas. In fact, the obstinate Glavas is ensuring Tudjman's influence in Slavonia, and resisting the abovementioned hard line in the HDZ that is trying to seize power in Slavonia as well.

This is therefore a complication in a state that is in a dramatically unfavorable position at the negotiating table after the fall of northern Bosnia. According to some ideas, northern Bosnia was supposed to have been exchanged for Prevlaka, but that is not true. The Serbs, in fact, only trade in Croatian territories in order to gain some other part of Croatian territory. The Serbian victors in Bosanski Brod are singing the most popular of all the victory songs that

emerged during the war: "Oh, Croats, you really are fools; we get Bosnia, and you get the Bosniacs."

The approximately 350,000 refugees from Bosnia are actually a serious burden for impoverished Croatia, which has furthermore incurred the disfavor of the international media because it did not want to accept new refugees (mostly Croats) from Jajce. Among the international public one can frequently hear predictions that as early as tomorrow Croatia may also be subjected to sanctions. A new wave of claims that Croatia is also to blame for the war was launched precisely during the period of the fiercest Serbian offensive in Bosnia, precisely during the days when the conquerors were ruthlessly destroying Jajce. If they had not accused Croatia as well, they would have had to institute decisive measures against the Serbs. That would stop the ethnic cleansing of the Muslims in Bosnia, which perhaps would not suit part of the international community. It is also necessary to say that the organization of the Croats in Bosnia as a state would have been unnecessary if steps had been taken against Serbia in time. The ideas about a partition of Bosnia between the Serbs and Croats at the expense of the Muslims, which was supposedly agreed upon a long time ago, are shaky. Only the weak Croatia that was still unarmed a year ago, which was fiercely attacked by Serbia, could have talked about and agreed on any partitions. Just as in everyday life, in politics as well only the stronger party sets conditions, and the weaker one can only try to evade coercion. Croatia was suited by a united Bosnia, if not a unitary one, if for no other reason than because it is not suited by a large and hostile Serbia south of Slavonski Brod, a Serbia that has also broken off a considerable piece of Croatian territory. When the Serbs occupied 70 percent of Bosnia, battles broke out among the allies for the remainder—30 percent!

A consequence of this was the fall of Jajce. Croatia is also not suited by a partition of Bosnia between the Serbs and Croats because then the Serbs would also use the same standards for the occupied areas of Croatia, which have already been declared to be Serbian.

Croatia has very little room to maneuver in order to achieve its goals, primarily the reoccupation of Baranja, eastern Slavonia, and the hinterland of Dalmatia. Time is working against it more and more. Just a few days ago the UNPROFOR [UN Protective Force] commander in Baranja signed documents with the official head of the UNPA [UN Protected Area], the Republic of Serbian Krajina, for the transportation of goods, capital, and people from the UNPA areas to Serbia and vice versa. At the same time, the Croatian initiative for the return of non-Serbian refugees to Baranja has been declared a provocation! Since the world obviously does not know how to put an end to Slobodan Milosevic's terrible policy, it will even consent to it.

A consequence of this guilt, which no one except the mutually hostile Croats and Muslims will perceive as guilt, will be accumulated frustration in Croatia, and the strengthening of the populist or extremist option, and it will therefore continue to be described as an undemocratic state. The Muslims, who are too weak to respond to the Serbs, will accuse the Croats, and the latter will forget that Serbian aircraft and cannon destroyed their state and look harshly at unemployed Bosnians in their cities. The Serbian liberal intelligentsia will come along the Belgrade-Zagreb highway and will be surprised that the Croats are not enthusiastic about the hand of reconciliation and the observation that war is terrible, and that they do not want to accuse Tudjman and Paraga along with them, if they themselves accuse Milosevic and Arkan.

Foreign Firms Violate UN Sanctions

93B40285F Ljubljana DELO in Slovene 19 Nov 92 p 5

[Article by Kresimir Meler and Marijana Glusac: "International Companies Violating the Sanctions"]

[Text] *The Serbian regime has been well-supplied by enterprises from the countries that otherwise strongly supported imposing sanctions against Belgrade; Panic's sponsorship of arms smuggling.*

The sanctions against the Federal Republic of Yugoslavia [FRY] were obviously only imposed so that leading world politicians, when they look at the bloodshed in Bosnia-Hercegovina and partly in Croatia, could wash their hands like Pontius Pilate and say, "The sanctions should have prevented Serbia from continuing the war. We are not responsible if some states friendly to it did not respect them." Well-informed sources verified as reliable, in fact, are claiming and also proving that there are considerably more violations of the sanctions than previously suspected. And this is not all: The list of those who are helping the Belgrade regime in one way or another to survive for another 10 years has included enterprises from states that not only sharply condemned the Serbian aggression but also advocated the imposition of sanctions against the FRY—as if they had forgotten that it was precisely the Serbian soldiery and Serbian weapons that were sowing death and suffering and, in the best of cases, driving their own citizens and or members of an ethnic group from their homes with a bag in their hands.

The activity of Britannica Finance Ltd., which is linked with the FRY and KOS [military counterintelligence service] so that they could survive for another three or four years or possibly even longer in spite of the sanctions, has now partly come to light. In addition to Jugoskandik, Goran Milanovic, brother of the recently dead Dragan Milanovic, the husband of Dafinament owner Dafina Milanovic, was also involved in establishing Britannica. Along with Radojcic, who also has passports in the names of Meider and Arthur F. Ashley, while Radojcic, who also has documents in the name of John Smith in addition to Honduran, Greek, Cypriot, Belize, and Israeli passports, he established a representation of Britannica Finance Ltd. in Bielefeld. It is not a coincidence, since the KOS's network has been and still is quite widespread in that German town. Its director is now the criminal and KOS officer Dragan Rumenic, who can calmly promenade around Europe because he has passport BHR 967733 in a Croatian name and passport BHR 962833 in a Muslim name. Reliable sources say that with these passports, at Britannica's expense, he has been able to travel to Croatia, Slovenia, Hungary, and Poland. He has mostly robbed wealthy residents of East European (and also several West European) states, but Britannica did not let the money stay in his account for long. On the contrary, a large part of it was immediately transferred from Maastricht and London to Venezuela. Why there, exactly? Because an "offshore" enterprise was opened in that country a few months ago, in the name of two local citizens, whereas the real owner (again) is Jezdimir Vasiljevic, in cooperation with Goran and Dafina Milanovic and with a certain Daniel Roman.

In the last three months US\$2.3 billion was sent to the account of that enterprise, which is essentially under the direct control of the Serbian Government, and all that revenue was supported by fictitious bills for "intermediary services in buying and selling." In spite of more and more money transfers for "loan installments," the amount in Britannica Finance Ltd.'s account did not increase. On the contrary, it declined in proportion to the increase in the account in Venezuela. Similar amounts also came to the Cyprus Offshore Bank in Nicosia.

A month or so before that, i.e., in May, KOS Major Veselin Slijivancanin and Colonel Milan Milojevic arrived in Austria with forged passports. They were headed for the Swerowski private enterprise, which is involved in buying and selling all types of weapons. They had authorization to order spare parts for airplanes and cannons, for M-84 tanks, and also electronic instruments for the new-generation M-89 tank that is being built in Krusevac and also for the so-called Supertop that Serbia is already preparing for its first tests. In addition to these parts and weapons, they also agreed on the purchase of large amounts of other weapons (automatic rifles and equipment that Serbia does not produce). Although the enterprise's owner knew that the weapons were intended for Yugoslavia, he agreed to the sale, and only charged 10 percent more than usual. That 10 percent, of course, is his commission. On paper, everything is legal. The weapons were ordered by the Hugo Winkler Co. for customers in Belize, Venezuela, and Israel. These were actually enterprises operating under the control of the Serbian government, which were established by Panic's ICN Galenika, Genex, and Jugobanka. In addition to these H. Winkler also represents another 30 or so Serbian enterprises that operate under the names of foreign citizens, and are headquartered in Venezuela, Israel, Nicosia and Limasol on Cyprus, and also in Mexico. It is interesting that the payment guarantors also included Britannica Finance Ltd., about whose operation Hugo Winkler allegedly knows nothing, even though he was its very careful secretary until it "disappeared." It was agreed that the weapons would be sent continuously every 14 days, specifically to Greece, Romania, and Cyprus, and to a certain Israeli port from which they would be transported, partly by ships and partly by trucks, to Serbia and Montenegro. So that the transactions would remain apparently clean, the customers informed the producer that the weapons were sold to a third party who did not want to be named. Some of the bills were settled from the accounts in Venezuela, and some on Cyprus in the Cyprus Offshore Bank and in the account of the YUGO-RAB [as published] enterprise, which was established just two years ago by the Belgrade enterprise Genex in the name of a certain Cypriot citizen. There is currently \$3 billion U.S. in his account. Some of this money was transferred through fictitious transactions from the Cyprus Offshore Bank's account. It originates from Belgrade's dealings with the New York bank Drexel Burnham Lambert, which failed as soon as the National Bank of Yugoslavia invested in it part of the foreign exchange and gold reserves that belonged to Croatia and Slovenia. That bank's director was Michael Milken, a

person who was already a middleman in the establishment of Britannica Finance Ltd. That is still not all. Yugo-Arab's account also has some of the funds that were supposed to be taken into account in the division of assets among the former Yugoslav republics. Yugo-Arab also has its own representations in Beirut and Jerusalem.

Italy also still has business ties with Serbia, specifically through the Belgrade enterprise Joka-Agent, which is operating as part of the Banja Luka-Cypriot enterprise Evroraz. The business with Joka-Agent is not an old one. It started three months ago, i.e., after the imposition of sanctions against Belgrade. And what does this cooperation involve? At the bus station in Trieste we will find a Joka-Agent office, which, among other things, organizes trips along the Trieste-Ljubljana-Hungary-Belgrade-Veliko Trgoviste. For 60,000 lire or 80 marks, a bus will take you from Belgrade or Trieste every Wednesday and Saturday at 1800. A certain Nikola, who sits at a telephone with number 768-377, is authorized for contacts with prospective passengers in Trieste. The transportation of passengers is not the only thing that Joka-Agent deals with, however. This Serbian enterprise, on the basis of documentation and stamps from Evroraz, and sometimes also D.D. Domet, orders oil and oil derivatives "for the needs of Croatia and Bosnia-Hercegovina" which then end up in Serbian tanks. Of course, Joka-Agent's name is never mentioned in such transactions. When it is just a matter of transportation, Nikola will tell an "endangered compatriot" (as the journalist presented himself) that he can get to Trieste without major difficulties, with the intervention of D.D. Domet. If he also wants to take with him some relative from Banja Luka, he should contact that Zagreb enterprise again, but "Croats and Muslims cannot travel by any means unless their documents are in order." If we can judge by the decree signed by Predrag Radic, chairman of the Banja Luka municipal assembly, those so-called documents in order are "a condition for having emigration arranged, for having the entire family emigrate, and for ensuring documents for it from the local authorities (i.e., giving up all its property)." That regulation was also in effect when D. D. Domet was taking care of transportation between Banja Luka and Zagreb on a large scale.

Joka-Agent's activities do not end with the purchase of oil and the transportation of passengers, which has allegedly been approved by some Italian ministry, just as it also approved the opening of a Serbian representation in Italy. That Belgrade agency is cooperating with the Yugo-Arab enterprise, for which, through the above-mentioned Zagreb private enterprise, it buys food in Croatia, and transactions for other dirty business also flow through its account. Thus, two months ago, it received through its Zagreb partner an offer from the Spanish company APP, which was prepared to pay Montenegro \$350 million if it "accepts and recycles industrial waste." The deal was accepted, and the Zagreb middleman received a 10-percent commission for it. A little while before that, the waste was offered to Zagreb, under the condition that the Spanish company would pay Croatia \$250 million. The toxic waste, however, did not arrive at a recycling factory, as planned, but rather at

the Aleksin mines, where there is now a concentration camp. Reliable sources claim that these are substances that have the characteristics of nerve poisons. That kind of transaction was already carried out three years ago, and this year, a large amount of medium-intensity radioactive waste, which also arrived at the premises of the Dubrava mines, was sent for safekeeping from a certain Romanian nuclear power plant, under the guise of "commodity trade." The storage of just 1 kg of this radioactive waste costs \$1,800, according to the agreement.

Israel and individual Israeli banks and enterprises are also cooperating intensively with Serbia. The middlemen are Daniel Romano, president of the Serbian-Jewish Friendship Society, which was established in Banja Luka, along with member of the board of directors Emanuel Richtman and members Predrag Lazarevic and Cvetko Bursac. Daniel Romano contacted the above-mentioned arms dealer in Austria to buy "weapons for the self-defense of Jews against the genocide that is threatening them." He had with him credentials from the private Israeli bank Bank Leumi, which is partly under the control of the Serbian Government and partly in the hands of Mossad; the latter is still cooperating closely with the KOS. The weapons were purchased through the account of Evroraz's headquarters on Cyprus and partly through the account of the Yugo-Arab enterprise, which is headed by Slobodan Prohaska; the latter also has a certain West European enterprise's office in Belgrade. The above-mentioned bank's account has, among other things, some of the funds of the former Yugoslavia, and our sources claim that it amounts to a good \$2 billion. The FRY thus actually has \$10 billion, scattered among several banks for the sake of easier transfer, just in case the government of some country that was still friendly yesterday suddenly changes its mind. A large part of the payments for arms purchases in West European countries is now flowing through Bank Leumi; the owner of the account is not the Serbian government, but rather the Serbian-Jewish Friendship Society. Such accounts also exist on Cyprus and in Mexico, Lebanon, and the Netherlands. Since it is a "civil company with international significance," no one is paying attention to the flow of the money, which is anything but modest. The Banja Luka enterprise Agroprom, which is buying weapons and military equipment in Spain, Austria, Lebanon, and Israel, and is represented by the Hugo Winkler company under another name, also has an account at that bank.

They are being supplied with oil without any difficulty. The foreign exchange account through which some of the financial transactions flow in Banja Luka is numbered 8251-110-1043785, and the dinar account is 10500-678-25274. Activities abroad are successfully concealed under the name of the Captain Dragan Fund, which is allegedly intended for "taking care of the children of fallen Serbian fighters." Money is moved from that account to Israel, Cyprus, and Venezuela, which is selling oil to the FRY through Serbian enterprises abroad registered under foreign names. Of course, all of this is proceeding under the guise of "charitable assistance" from the above-mentioned Serbian-Jewish Friendship Society. To make it

all a little more interesting, the clients of the above-mentioned bank also include Sneden Inc., i.e., the Cypriot enterprise that is headed by Dragan Vasiljkovic, i.e., Daniel Sneden, well-known to everyone as the notorious Captain Dragan.

Text of Rupel's Letter to FRY's Cosic

93BA0285B *Ljubljana DELO* in Slovene 17 Nov 92 p 3

[Text of letter from Foreign Minister Rupel to Yugoslav President Cosic: "Letter to Dobrica Cosic"]

[Text] Esteemed Mr. Dobrica Cosic, President of the Federal Republic of Yugoslavia [FRY], Belgrade.

Esteemed Dobrica!

Last night I returned from Sarajevo. I tried there to do everything necessary so that the Slovenes still left in Sarajevo could leave for their homeland. The leadership of Bosnia-Hercegovina, UNPROFOR [UN Protective Force], UNHCR [UN High Commissioner for Refugees], and also individual officials of your state and Serbian commanders are also participating in this undertaking. I want the evacuation to succeed, and that is why I am asking you to help us.

While I was arranging for the departure of the Slovenes, I also discovered several other aspects of Sarajevo and the war in Bosnia-Hercegovina. I decided to write you a letter as a (former?) friend, as a literary colleague, and as a person to whom I am linked by fond memories.

Today we are standing on opposite sides. I am Slovenia's foreign minister. You are the president of the FRY, one of the successors to the SFRY, which attacked us last year and tried to keep us by force in the embrace of an undemocratic, one-party state. I must tell you that during the past year I have thought several times about the paradox that was produced by Yugoslav politics, and several times I was preparing to write to you. At one time I thought that each of us, in his own way, was striving for deliverance from communism and Titoism, and for the dignity of small peoples. I did not deny the dignity of the Serbian people. You did not deny the dignity of Slovenes.

I have been diverted from writing by political rationality; your state (at least, before you came to head the FRY) has denied my state the right to independence and to the inheritance of the former SFRY.

The time has come when I have to put rationality aside. I must speak to you as a person whom I knew and whom I can no longer recognize. Let me put it differently: I cannot reconcile what I know about you with what I have seen with my own eyes in Sarajevo. I ask you not to answer me as if neither you nor your state had anything to do with what is happening in Sarajevo or elsewhere in Bosnia-Hercegovina. If you personally have the same view of this tragedy as I do, then you have to do something. For the sake of your biography, if not for the sake of the many evenings that we spent together in the company of people from NOVA REVIIJA and your friends; for the sake of the many serious conversations that we have had in past years,

in Ljubljana, on Bled, and in Bohinj. At least I remember well our emotional, dissident whispers and careful plans.

Let us abandon strategic political planning. Let us abandon Yugoslavism, communist federalism; let us abandon the difficulties of modern Europeanism. Let us talk about the people in Sarajevo.

Sarajevo has become a concentration camp and a front at the same time. No one is capable of enduring this. If I leave aside my flight on an airplane at which soldiers of the Yugoslav or perhaps the Serbian Army were aiming their rockets, I must tell you that I spent a long night without sleep in devastated, destroyed, bombed, and burnt Sarajevo. Your soldiers or soldiers citing the regime in Belgrade were shooting from the mountain slopes at the residents of Sarajevo and at me. I am not very important in this regard, however.

Your readers also live in Sarajevo: professors, doctors, politicians, ordinary people. Their children do not know about either fruits or vegetables. They have neither water, nor electricity, nor gas. There is cold weather in Sarajevo that will become even worse. There is darkness in Sarajevo. My night in a Sarajevo hotel could be the opening scene of some novel. We watched something like it in futuristic, science fiction films. Now, however, that "art" is actually happening. Neither television nor any kind of reports can portray the horror of life in Bosnia-Hercegovina. Television has become part of the household furniture, to which we do not attribute the capability of revealing the truth. The fact is that all the reports are untrue, because the horrors of life in occupied Sarajevo cannot even be described or filmed. They have to be experienced.

In a man of culture like you, moral feeling has to speak out. As writers, we know that politics cannot commit us to immorality. Art, if it is art, cannot be immoral. It cannot side with soldiers and murderers. The stories that I heard in Sarajevo are actually not for the public and for this letter, because words are too weak for hundreds of thousands of deaths, for thousands of rapes, for dying and desperate people. Perhaps these stories are suitable for our literature. Can that literature of ours even exist, however, if we do not perform a humane act, which is the only thing possible now? Tell your people, say aloud, that in the name of your morality and in the name of the dignity of your people you are forbidding the war for Sarajevo to continue. Open the door of Sarajevo! Send the soldiers to their barracks and to their homes.

I was in the company of people who all had shirt collars two sizes too big. These are our friends, Serbs, Croats, and Muslims. Couldn't they be given an opportunity to talk about the future of their state in the light, next to a stove, and with a meal?

In the name of our (former?) friendship I ask you to do something. Believe me, we in Slovenia are also prepared to listen to your people's interests. Now, however, the subjects of our talks and the sense organs with which we could hear and see them are covered with blood. Do something! Let us do it together!

Yours, Dimitrij Rupel.

SDP Makes Effort To Reform Its Image93BA0285E *Ljubljana DELO* in Slovene 19 Nov 92 p 2

[Article by Vinko Vasle: "A Party That Has To Be Taken Into Account, but Which No One Likes"]

[Text] *Is the SDP [Party of Democratic Reform] still just an appendage of the opposition and a necessary evil? Three factions; shift to the left by right-wing Pintar; seeking a name for the party; the left-of-center parties are maneuvering and waiting for the elections.*

Ljubljana, 19 Nov—The Reformers are certainly a party that has not tried to advertise itself as being any sort of center in the violent "gymnastics" on the Slovene political scene, and it is obviously not awkward for them to admit, if someone asks them, that they are a political left wing. They entered Slovene multiparty political life with the burden of the historical past of the Communist Party and the League of Communists of Slovenia [LCS]. They have not yet shaken off its legacy, of which not one Slovene parliamentary party—not just on the right—forgets to remind them.

They came out of the 1990 elections as the most successful single party, and with 17 percent of the electorate's votes, they proved very directly that the threats of their ending up in the dustbin of history had nevertheless not borne fruit. It is interesting that the SDP was the only party that brought into parliament deputies who were actually elected in the field, and which consequently did not have a "famous" party list. The Reformers are still most troubled by the fact that they built their new image by developmental and not revolutionary means. The only revolution was the younger generation's settling of scores with the communist hard line symbolized in the LCS by France Popit. It was absolutely crucial for the party that it declared itself to represent the continuity of the Communist Party and the LCS in both good and bad senses, and that it did not renounce the historical foundations for its emergence. On the other hand, after the last LCS congress in Ljubljana (when it was renamed the LCS-SDP), the organization started to lose a large part of its membership. It was renounced by those who did not want to or could not understand the social and political reality at that time. Kucan's idea about stepping down from power seemed suicidal to them. It was left by the careerists, to whom the situation before the elections in 1990 was completely clear and moved en masse to other parties, including what was then Demos in large numbers. After the elections the SDP was also abandoned by members who did not like the party's posture as a constructive opposition, since they thought that it was thus unnecessarily losing its "organic strength." The membership of the former LCS (75,000) thus declined to 20,000, and today the SDP has 23,000 members, and is consequently among the three largest Slovene parties (after the SKD [Slovene Christian Democrats] and the People's Party).

After the elections, of course, the SDP faced the harsh reality. It was not just the fact that it was constantly criticized and labeled because of its communist and Bolshevik provenance; it had also become a party that even

the other parties in the parliamentary opposition looked askance. The SDP was thus, and still is, a party that clearly has to be taken into account, but which (at least publicly) no one likes very much, even those parties that essentially represent the leftist part of the Slovene parliament. This has been demonstrated throughout, especially during the rule of the Demos coalition, when the opposition parties, because of their "deadly fear" of the leftist SDP, were not capable of any sensible parliamentary action. The Reformers were also unsuccessful in convincing anyone that they were different now and that they were just one of the legitimate and legal political possibilities, which no one could overlook.

To a great extent they were also to blame for this impression themselves, since they kept in the leadership of the party nomenklatura the names of individuals who went back to the past of the LCS, and because for a long time they could not state clearly what they actually wanted to be. This is also the reason for the quite unfortunate adventures with changes in the party's name, which the public perceived as being more attempts to conceal the "real situation" and the "essence" of the party, than as a desire for fundamental reform and a breath of fresh air.

The SDP's personnel policy was obviously not very fortunate either, since the "veteran" members of the party viewed their juniors, and therefore typically unencumbered (neo-)leftist individuals, with considerable discomfort. At least in the beginning, the struggle between "old" and "new" personnel was represented by three party factions—Mauricio Olenik's Greens faction, Milan Balazic's social democratic faction (new social democracy), and Emil Milan Pintar's shadow government.

This was a response by part of the party's leadership to the party's dominant role in parliament, where for years it used its deputies' speeches more to instruct the regime and the government on how to rule well than if it had been a true opposition. By doing so it subjected itself to criticisms that it was "tactically flirting" with Demos and forgetting about its own party identity. That is why a sharp conflict occurred—especially evident at the Nova Gorica congress—between those who still sought tradition and continuity in the SDP, and the new, young, and driven party politicians who wanted to reform the party along social democratic lines. The conservative faction won, and its "right-wing" embodiment was supposed to be Emil Milan Pintar. Milan Balazic left the party then, and later on Pintar, to the surprise of the Reformers' social democratic faction, joined Pucnik' Social Democrats, even though he was viewed as a right-winger among his adherents. The Postojna conference was party cosmetics, but too late for the SDP to be able to put itself at the head of social democracy without difficulty; this completely isolated it politically for a considerable period. This was demonstrated most obviously at the time of the constructive vote of no confidence in Peterle's government, when the new opposition really needed the SDP; the party was not treated as an equal political partner, but rather as merely

an appendage to the opposition and a necessary evil. The SDP's party leadership also consented to such a role in a rather unprincipled manner. Those for whose sake the SDP is still encumbered by the past and by exclusivist criticisms are obviously still highly placed, and the reform of its leadership was not very convincing either because of the conservatives' power. It was most advocated by Ciril Ribicic, regarding whom it is said that he will withdraw from the position of party president immediately after the elections.

Otherwise, the SDP is not even concealing its ambitions of becoming the spokesman and leader of the Slovene left wing—if it does not succeed very well in an alliance of leftist and left-of-center parties; it is not very clear who even still fits into that group aside from the SDP, except for the parties which, together with the SDP, formed the United List and which have already been stuck with the label of old communist personnel, who are supposed to have come from the SDU [Social Democratic Union] in particular. The other left-of-center parties are obviously still maneuvering and waiting for the results of the elections, with the SDP having to be satisfied with only allying itself with a few nonparliamentary left-wing parties. The parliamentary ones still do not want to have anything in common with the Reformers, unless the elections show otherwise....

Christian Democrats Move to Center

93BA0285A Ljubljana DELO in Slovene 17 Nov 92 p 2

[Article by Vinko Vasle: "A Party That Is Trying To Get Rid of the Impression That It Is Right Wing-Radical"]

[Text] *The quiet personnel purge with which the Christian Democrats are renouncing some of their former activism that "embellished" the party with the attributes of clericalism, obscurantism, obsession with the past: reflection about a natural base.*

Ljubljana, 16 Nov—In its own way the Slovene Christian Democrats' [SKD] presidential convention was a surprise, since it was later admitted by the party that the redistribution of the electoral votes surprised it because it was quite "unbalanced." The election of Ivan Bizjak, who is said to be a representative of the SKD's more moderate faction, of course, also demonstrates that the party is trying to get rid of its image of right-wing radicalism.

Dr. Andrej Capuder, who has nevertheless put a unique stamp on the party in public, is thus withdrawing from active political life, which should mean, and not just symbolically, that the SKD is renouncing some of its former types of activism that made the party an exclusively political option and "embellished" with the attributes of clericalism, obscurantism, and obsession with the past, and led it to be criticized for revanchism. After the fall of Peterle's government, it was to be expected, of course, that the party would think about its future and preelection activities. The quiet purge, as some people are calling the removal of established names of party deputies from the electoral list for the State Assembly (E. A. Schwartzbartl), is on the other hand also a moral purge of the ranks of the

SKD, as demonstrated by the campaign by Janez Lampre, chairman of the Celje branch of the SKD, who is informing regional party members that Maks Bastl and Silvester Dervensek cannot represent the SKD's positions and will therefore not be on the electoral lists either. Bastl was discredited by the Slovin scandal, and it has not been completely clarified what happened to Peter Reberc, who was said, at least for some time, to be a promising party figure, and also held the important office of SKD secretary, but is also said to be among those who could have hurt the party's reputation morally, if certain things became public. One can certainly say that the party has been particularly hurt by people on the periphery, primarily those who were "illuminated by the realization" just before the elections and soon after them that they actually forgotten about their Christian roots in the past, just by mistake.

As the strongest Demos party in the elections, the Christian Democrats, of course, invoked the "jus primae noctis" and offered Lojze Peterle as the prime minister-designate for putting together a new government. Of course, ambitious leaders in the Demos coalition did not like this, especially the leadership of what was then the SDZ [Slovene Democratic Alliance], which emphasized in its propaganda communiques that it was intellectually the strongest party. That dispute was already essentially an announcement of sharp competition within the coalition, especially when Peterle tried to prove that he would govern relatively independently and when he surrounded himself with advisers and cabinet members with Christian Democrat origins. Some of the coalition parties that were represented in the government perceived this as a threat and an attempted "one-party privatization" of government affairs. This was not only shown with respect to Peterle's advisers and confidants (who also came from political emigre circles, e.g., Dr. Marko Kremzar), but also in the attempt by the Christian Democrat ministers to use their ministries to promote and strengthen the party program (Rejc, Capuder). On the other hand, Peterle nevertheless attempted to exercise more "party" control over individual ministries than to coordinate them, especially those whose ministers were not exactly supporting him but instead quarreled with him in one way or another from the very beginning. It is more than obvious that the Peterle government's policy was the Christian Democrats' policy, and that this was the fundamental reason for the collapse of Demos. For a long time there was no serious attempt at a modernization of party policy within the party, which was completely subordinated to the expression of right-wing conservative values that were surmounted a long time ago by their European namesakes. The SKD was thus said for a long time to be a party about whose internal life nothing was known, and that closed nature hurt it more than it helped it. While other parties (in the right-wing spectrum as well) were also creating other party figures, the SKD was satisfied with just its leader Peterle.

The militant wing of the Christian Democrats, which tried to raise Christian values to the level of politics and ideology and to use religion as a goal and a purpose, gave some of the public the impression of a political pact between the SKD and the church, which was supposedly a

real danger of new Slovene clericalism. Later on, there were some direct accusations against the SKD, which was supposed to be a mirror image of a new campaign by the right wing and a repetition of the preelection "political model" of a division of Slovene minds into clericals and liberals. Particularly in recent months, the Christian Democrats have proven that to a considerable extent they have succeeded in surmounting their own identity crisis, although they did not exactly do themselves a service with the annexation of the emigre People's Party at this year's second party congress; instead, they proved that in their own way they are going back to the past too much. The constructive vote of no confidence was a sign to the SKD that it is not possible to form a right-wing and conservative party, much less a modern state, by means of old frustrations, citing historical injustices, anticomunism, and exclusivism. Even in this regard the Christian Democrats did not go all the way, as particularly demonstrated by Peterle's campaign speeches, which are still considerably colored by exclusivist political phrases.

The Christian Democrats, who are not just one of the strongest and most influential right-wing parties, but certainly also a political constant on the Slovene political scene, will clearly have to surmount many other ideological doubts as well, including imaginary fear. They are also being forced to do so by political reality, which also provides for unprincipled and controversial flirting among parties and the formation of coalition alliances. The SKD particularly needs to think once again about the fact that religious people are not simply the party's "natural base," because the Christian Democrats are also not the only spokesmen for the Christian ethos and values.

UNPROFOR Nepalese Battalion Imports Gold, Silver

93BA0285H Ljubljana DELO in Slovene 20 Nov 92 p 9

[Article by Miljus Dusan: "UNPROFOR Soldiers From Nepal Wanted To Melt Their Earnings Into Precious Metals"]

[Text] Zagreb, 19 Nov—Today we learned several new details about the importation of gold and silver into Croatia at the request of the Nepalese UNPROFOR [UN Protective Force] battalion. Ivan Milus, deputy prime minister of the Republic of Croatia and head of the state office for UNPROFOR, said in connection with the above-mentioned gold and silver, "The government did not approve gold and silver imports. That is the only thing that I can tell you at this moment. The authorities have already initiated appropriate proceedings."

UNPROFOR also issued its own communique, and statements from the legal representatives of Zvonimir Nogolica can also be expected.

As we have already reported, the Nepalese battalion, which is stationed in the area of Nova Gradiska and Okucani and consists of 900 soldiers and officers, requested that it be allowed to import approximately 42 kg of gold and 9,000 kg of silver. They would use this to melt their earnings from six months into precious metals. The battalion,

however, did not receive the consent of the UNPROFOR office in Zagreb, or approval from the Croatian Foreign Ministry. The members of the Nepalese battalion then hired lawyer Nenad Matijasevic, with whom battalion commander Ale Di and 12 other officers are also living. Matijasevic was personally hired by Colonel Ale Di. Lawyer Matijasevic then asked Zvonimir Nogolica, head of the Croatian Government's office for UNPROFOR, to sign a permit to import the gold. Nogolica did it, although he was not authorized for anything like that, and by doing so also violated normal procedures for importing goods for UNPROFOR.

The gold and silver were then bought in Switzerland from the best supplier, UBS Bank in Zurich. The money from the Nepalese battalion's account in the Zagreb bank was not transferred to the UBS Bank, but rather to the bank account of Nenad Matijasevic, who then paid for the gold and silver received. Interpol is now also checking on these payments.

It has been determined that in Switzerland they bought 880 gold bars, the total weight of which was 27.368 kg, and paid \$302,280 for them. At the same time, they also bought 46,000 kg of silver bars for \$959,674. The total value of the transaction was \$1,261,954.

On Thursday, 12 November, Matijasevic tried to get the necessary customs documentation. On the same day, the silver was brought onto Croatian territory through the Bregana border crossing. At the border the truck, which contained 4,600 kg of silver, was seized by a police patrol and taken to Buzin, where it was taken over by another police patrol. They intended to take the silver to a customs warehouse at the Zagreb airport. On the next day, 13 November, a package of gold also arrived in Croatia from Zurich by air. On the same day, Zvonimir Nogolica was arrested at his office on Markov Trg, and later the lawyer Nenad Matijasevic was arrested as well. On the next day they were questioned by an investigating judge, and both of them were ordered to be detained. The prosecutor's office has already submitted a request to start an investigation.

We were assured by the people at UNPROFOR that they did not know anything about the imported gold and silver, and they did not comment on Zvonimir Nogolica's arrest.

UN ECE Executive Secretary Visiting

93BA0285D Ljubljana DELO in Slovene 18 Nov 92 p 3

[Article by Liljana Deric: "Better Ties With the UN Commission"]

[Text] The executive secretary of the UN Economic Commission for Europe [ECE] is inviting Slovenia to prepare ecological documents for transportation and other projects.

Ljubljana, 17 Nov—The UN ECE expects that Slovenia will participate actively in preparing new conventions, agreements and protocols for environmental protection, and that it will participate in implementing two of that commission's projects in the transportation area—the trans-European highway and the trans-European railroad.

Slovenia hopes that the UN ECE will also organize one of its expert workshops (the so-called workshops [in English], in fact, are very effective) in our country; this was stated, among other things, in today's talks between UN ECE Executive Secretary Gerald Hinteregger and the members of the Assembly committee on general economic affairs and the Assembly commission on international relations.

After its admission to the United Nations, Slovenia also automatically became a member of the UN's commission for Europe (it has 43 members—in addition to European countries, Canada, the United States, and Israel are also members), and the purpose of Gerald Hinteregger's visit to Slovenia is to study the possibilities for strengthening that UN commission's cooperation with our country. In connection with this, the UN ECE notes that the economic situation in Slovenia is much better than in the East European countries, which are in a transitional period. This is particularly true of the infrastructure area, according to Gerald Hinteregger. Of course, this still does not mean that our transportation infrastructure is at a satisfactory level. That, of course, is why the members of the committee on general economic affairs were interested in what sort of opportunities Slovenia had for obtaining foreign loans, especially for building roads and modernizing the railroad. Loans for this, to be sure, are being provided by the World Bank, the European Bank for Reconstruction and Development, and the European Investment Bank, but they have too little money for this to meet all the needs. It is consequently necessary to attract private capital as well, and the roundtable that was organized on this topic this year in Vienna showed that private banks and financial figures still consider the East European and Central European countries in the transitional period to be very risky areas for investment. It is still easiest to come here with concessions, according to Gerald Hinteregger, who at the same time also promised that he would do everything he could to help Slovenia carry out its infrastructure projects.

We can also expect the UN ECE to organize one of its European workshops in Slovenia. In the last two years, it has prepared about 70 such workshops on various economic issues in East Europe, and experience indicates that they are very successful. The International Cooperation Center in Ljubljana has already been interested in jointly organizing such workshops for a long time now.

The UN ECE's executive secretary did not say anything encouraging about the steel industry, however. The world market, in fact, is saturated with steel, the steel industry's capacity in Europe is too high, and it is difficult to find new customers, especially in view of Far East competition in the world market. On the other hand, steel plants in East Europe need thorough modernization (enormous financial investments would be needed for this), and the problem is particularly acute because an enormous number of workers are employed in this industry.

EFTA Delegation Holds Talks in Ljubljana

93BA0285C Ljubljana DELO in Slovene 18 Nov 92 p 1

[Article by Sasa Vidmajer: "Preparation of a Free Trade Agreement"]

[Text] *Closer cooperation and a liberalization of relations with the European Free Trade Association (EFTA)*

Ljubljana, 17 Nov—The most important result of the talks between the delegations of Slovenia and the EFTA member states is the establishment of a subcommittee to implement the Reykjavik declaration (the agreement on mutual cooperation that was signed this May) and prepare a free trade agreement, stated Dr. Dimitrij Rupel and Jon Ivar Nalsund at today's press conference after the conclusion of the meeting of the Slovene-EFTA joint committee.

The daylong meeting between the Slovene delegation and the delegation from the EFTA member states at Cankar House was the first meeting of this type devoted to closer ties between Slovenia and the above-mentioned trade association. The Slovene side, which was also represented by several other ministers in addition to Rupel, informed its interlocutors in detail about our economic situation, and especially the reforms, membership in international organizations, and cooperation with the EC, and urged closer cooperation and a liberalization of trade relations. J. I. Nalsun, Norwegian state secretary in the Ministry of Trade, who headed the delegation, stated that the meeting was successful. As he said, EFTA supports the Slovene reforms and is also prepared to help within the limits of its ability. With respect to membership in EFTA, he thought that the principal thing was the implementation to date of the reforms, which would classify Slovenia among the equal European partners, although a simple prescription could not be given.

Dr. Dimitrij Rupel said that membership in EFTA was linked to participation in other European organizations, especially the EC, and that the conditions for this included adapting regulations, amending legislation, and coming closer to Europe's economic level. In his opinion, the establishment of the above-mentioned subcommittee will be the first step toward membership in EFTA. This morning the head of the EFTA delegation, Jon Ivar Nalsund, and his secretary general, Georg Reisch, were also received by Slovene Prime Minister Janez Drnovsek.

World Bank Supports Economic Reforms

93BA0285G Ljubljana DELO in Slovene 20 Nov 92 p 1

[Article by Miha Jenko: "Slovenia Could Be a Model of Development"]

[Excerpt] *This, however, depends on your knowledge and will, said the head of the World Bank mission, Ilham Zurayk.*

Ljubljana, 19 Nov—A mission from the World Bank, which has been studying the reform of enterprises and banks and the associated macroeconomic policy, has been visiting Slovenia for the last two weeks. As Finance Minister Mitja Gaspari said at today's briefing of the Assembly

committees for the budget and public finances and credit-monetary affairs, which were far short of a quorum, the mission will also prepare documents for the conclusion of a contract between the World Bank and Slovenia on the use of a loan from that international financial institution for bank restructuring and privatization.

The head of the mission, Ilham Zurayk, said that the world believes that Slovenia can become a model of development for similar countries, but that will depend on our knowledge and will, the openness of the economy, and the economic reform program that the government is undertaking. "We came here with the intention of showing that the World Bank is prepared to support Slovenia in its efforts," she said. With respect to privatization, she proposed that we quickly pass on to the next phase, which would include the preparation of guidelines for the Privatization Agency, the preparation of certificates for privatization, and the establishment of investment funds. If this were prepared in time, that law could be successfully implemented in May or June 1993. In connection with the financial rehabilitation of banks, she said that she hoped that parliament would pass the proposed law as soon as possible, so that the government could start to rehabilitate the banks. Mission member Roberto Rocha said that Slovenia had a very high tax rate, since budgetary taxes and contributions amount to 47 percent of the gross domestic product. The restructuring of banks and the economy will increase the burden by another 3 to 5 percent, and such burdens would be inconsistent with other elements of the economic reform.

Assembly Adopts Law on Privatization

93BA0236A *Ljubljana DNEVNIK* in Slovene
12 Nov 92 p 4

[Article by Marjan Lekse, Marjan Lacic, and Jozef Poglajen: "Social Property Is History"]

[Text] *After an odyssey of almost two years, yesterday the Assembly passed a law on the privatization of enterprises; because of the amendments submitted, the law that was passed differs considerably from the draft.*

Ljubljana, 12 Nov—The odyssey of the privatization of social property, which lasted for almost two years, ended on St. Martin's Day. Yesterday, after a large number of very different amendments, all the Slovene Assembly's chambers succeeded in doing was to pass a law on the privatization of enterprises with the same text. Probably most of the credit for this unexpected speed should be attributed to the persistent work for more than two days of the interchamber coordinating group, and of course to the law's sponsors, who were willing to negotiate on the controversial amendments.

In comparison with the usual parliamentary slowness and inefficiency, the deputies in all the chambers of the Slovene Assembly really were quick yesterday in passing the law on the ownership transformation of enterprises. The passage of this law is one of the key events in the two-and-a-half-year history of this parliament. In spite of this, the passage of such an important document took place

in half-empty halls, without a trace of the usual euphoria and tension that were characteristic of other similarly important events. It was as if the deputies, before the end of their term, were exhausted, or else had already so mastered parliamentary technique that the final passage of the law was only a procedural action.

Privatization for Everyone

At any rate, the coordinated text of the law on the ownership transformation of enterprises was adopted in all the chambers of the Slovene Assembly, and it is therefore proper that we look at the most important of the innovations that were introduced during the final phase of the law's adoption. The most important one is that all citizens of Slovenia born before the date that the law goes into effect, i.e., including children, will receive ownership certificates. An amendment to article 30 also adopted a scale according to which all those who have not yet been employed will receive ownership certificates with a nominal value of 200,000 tolars, all those who have work experience of up to 10 years 250,000, all those who have between 10 and 20 years 300,000, all those who have between 20 and 30 years of work experience certificates in the value of 350,000, and all those who have more than 30 years of work experience will receive certificates in the value of 400,000 tolars. Forty percent of the value of Slovene enterprises' total social capital, which is estimated to be about 8 billion German marks, will be distributed in this way.

What will Slovene citizens be able to do with these ownership certificates? Employees in socialized enterprises will be able to use the certificates to "buy" an ownership share in their own enterprise, with the provision that all the employees will only be able to "buy up" at most 20 percent of the shares for free. If the total amount of all the enterprise's employees does not reach 20 percent of the enterprise's value, however, then if they wish to they will also use the ownership certificates of their family members for the "purchase." All those citizens who are not employed in socialized enterprises will be able to use the certificates to obtain shares in investment companies, to which the enterprises will transfer an additional 20 percent of their value.

In addition to the gratis distribution of 40 percent of social property, the pension and compensation funds will each receive 10 percent of social property. The remaining 40 percent of social property will have to be bought up. In this regard, employees will once again have a definite advantage at their own enterprises, since they will be able to reserve another 21 percent of the enterprise's value for the purchase (which, together with the part distributed for free, would allow them to obtain a majority share in the enterprise). An additional 25 percent discount has also been stipulated for purchase by workers, but a fifth of the value will have to be paid immediately. The workers will be able to use possible profits for a purchase by workers. In this regard it is very important that the purchase price for enterprises will be returned to the economy through various funds, and will not go into the state budget, as was stipulated in one of the previous phases. A small part of the

purchase price will be transferred to a fund for the payment of war damages, to correct the injustices that were committed against internees and exiles. The purchase price will also be received by an ecological development fund, a technological development fund, a small business fund, a restructuring fund, etc.

Deputy Janez Jug's idea that it is not possible to wait for better times in the economy and stick one's head in the sand like an ostrich, and the government representative's warning that there could be an "attack" against banks by depositors, obviously convinced the deputies in the Chamber of Municipalities that they had passed laws that would allow beginning the process of the financial rehabilitation of banks. These are the law that regulates the settlement of obligations in the amount of 967 million German marks from unpaid foreign exchange deposits, and the law on the Slovene Republic's guarantee for bonds issued for the financial rehabilitation of banks and savings banks. The discussion of both of these has been going on in the Assembly chambers for a considerable time. Their further fate will depend upon the Sociopolitical Chamber, and of course on the effectiveness of coordination between the chambers, since they will both adopt different texts. The decision on the law on civilian war invalids has also been held up in that chamber, and so there is still no final decision on that law either, although it is supposed to go into effect at the beginning of next year.

Coordination of the amendments to the property law was only hindered by a brief discussion about whether the pension fund really needed 15 percent of the value of social property instead of 10. Specifically, if that amendment were adopted, the fund would be almost a billion German marks richer. Danijel Starman (SKD [Slovene Christian Democrats]) and Joze Zakonjsek, who particularly advocated that amendment, ended up in the minority, since that 5 percent would have had to be taken away from someone else. It is not clear whether it was for this reason that Starman decided that he would completely abstain from voting on the law. In explaining his vote, he said that he was abstaining because this was not the right political moment for passing the law, since it would be primarily the government coalition that would benefit from it before the elections.

Although things went smoothly in adopting the coordinating commission's proposals—it had to coordinate the 70 different amendments to the enterprise privatization law that were adopted in the chambers—it seemed otherwise at the beginning of the session. Some deputies, specifically, urged that the law on economic companies be passed before the privatization law. For that purpose they even skipped over one legislative phase and turned the draft of the law into a bill, although others warned that everything had to be thoroughly considered together, since there had even been comments from the Constitutional Court about the draft law on economic companies. What prevailed was the government representative's explanation that the periods in the law on privatization would only begin to proceed six months after it was passed, i.e., there would be enough time to pass the other laws closely linked to the privatization law.

"The Authority Is Also Separate With Respect to Wages"

"At 1645, in coordination, we passed legislation that is important for our further development." With this statement, President of the Chamber of Associated Labor Joze Zupancic ended yesterday's session of that chamber, when the deputies, with 44 votes in favor and two abstentions, after the discussion and adoption of amendments and coordination, adopted the final text of the bill on the property transformation of enterprises.

In any case, just as in the other two chambers, the deputies adopted laws that were necessary to start the privatization process, and this also includes yesterday's discussion and adoption of the draft law on economic companies. The deputies charged the government with preparing a legislative bill as soon as possible, so that it could still be discussed during this Assembly term.

Just as at the chamber's previous meeting, at this one as well there was a thorough and absorbed discussion of wages in the public sector. This discussion began with the discussion of a proposal from a group of deputies from all three chambers that the meeting's agenda should be expanded to include a legislative bill on wages and other earnings of judges, which would be adopted in urgent proceedings. That proposal was rejected by a majority of votes, since, as one of the deputies said, if they dealt with regulating judges' wages there would be an avalanche of similar demands from elsewhere as well. Minister Miha Kozinc also took part in the discussion, and said that the government had not yet discussed the proposal, but in his opinion, as he stated, the judicial authority "also has to be separate in compensation."

The discussion continued with the 15th item on the agenda, when the deputies continued the discussion and adoption of decisions on the problem of implementing the laws on officials and employees in public services. They received a report on wages in the public sector, with which they were not satisfied, since the data did not allow the comparisons that the deputies justifiably want and need in order to have a clear idea of what is happening in individual areas and in the entire sector. One of the deputies said that in his own firm he could find out who had how much basic pay for 182 hours of work and how many bonuses and what his qualifications were, but that the report that had been prepared did not allow such comparisons for individual public services. Nevertheless, even if the government prepared a better report for them in the coming days, the deputies, because of their expiring terms, would not be able to conduct a thorough discussion of such a difficult problem, as required by comprehensive, systematic, transparent, and fairer compensation in the public sector. As they quickly calculated, it would be several months before this problem could be put on the agenda again. Consequently those who thought that they were being done an injustice, as one could understand from this discussion, were advised that they should settle the matter through collective contracts. The item was thus removed from the agenda, but along with this a decision was adopted that the government, whatever it would be like,

would start preparing a law on wages in public services. This would settle a problem that the Assembly has been parochially and therefore ineffectively trying to solve for an entire decade.

Stock Exchange Management, Finance Minister Meet

93BA0282A Ljubljana DNEVNIK in Slovene
14 Nov 92 p 5

[Article by (ku): "The State Will Also Be More Business-like"]

[Text] *Finance Minister Gaspari's talk with the leadership of the Ljubljana securities exchange; a more active attitude by the state toward its securities, since they measure its credibility.*

Ljubljana, 14 Nov—The government's financial transactions will also be important in the future for the state budget and public debt. That is why a treasury has been established under the auspices of the Finance Ministry—a state financial institution that is headed by Anda Mavec—and within the Treasury, a service has been established for issuing and trading in securities, under the leadership of Milan Vicic. One of the government's important partners in regulating the capital market is also the Ljubljana Securities Exchange, which, in spite of its youth, already has some experience and can make a significant contribution to the further development of this kind of business in our region in general.

That is why Finance Minister Mitja Gaspari met yesterday with the leadership of the Ljubljana Exchange, which, in his words, is supposed to be one of the more important foundations for regulating financial relations. Of course, legal regulations will also be important in this regard, and Gaspari announced that we are expected to get a law on securities and the exchange by the end of November or the beginning of December. The law is being prepared with technical assistance from abroad, and will therefore also contain the basic norms of international standards. Along with clearer regulations for stock exchange activity, a more active role is also being announced for the commission on securities and the exchange, whose findings and decisions will be binding. This should also eliminate the present unacceptable relationship between the "overseer" SDK [Public Auditing Service] and the government.

Gaspari consequently announced that the government would take a more active attitude both toward securities already issued (primarily the republic bond in the second issuance) and also toward new state securities. It is expected that short-term securities—treasury notes—will soon be issued for the needs of the budget, and next year at least one long-term security will be issued as well. The Finance Ministry notes, specifically, that before now the current budget surpluses were inefficiently used (transactions in the money market), and that is precisely what should be done better by the newly established treasury. Not least of all, the state's credibility is also reflected in the exchange rates for state securities.

There was also a discussion of preventing speculative transactions in the market, which will also be regulated by legislation. Since Slovenia is a small business area, it is difficult to eliminate "insider trading" completely. Minimum ethical standards for business are therefore necessary, and the commission for securities and the market will also play an important role in this.

[Box, p 5]

Profitable Commodity Exchange?

In the discussion, they also talked about possibilities for developing other types of stock exchange activity. They are thus leaving a possible cash (foreign currency) exchange to the needs of banks with extensive authorization and to the Central Bank. Regarding an exchange for precious metals (a gold exchange), they think that the current negligible trading does not promise much, although no final decisions have been made yet. The economy's needs, however, dictate more serious discussions of a possible commodity exchange. In addition to agriculture, industry, and commerce, it would also be important for the formation of state commodity reserves. In fact, we have already had unpleasant experiences with this.

Let us also note that the inclusion of certificates and the privatization process in the securities exchange were not discussed, since a "clean copy" [cistopis] of the privatization legislation is needed for this first of all, and there are several technical issues associated with it.

Director of Ironworks Offers Resignation

92BA0282B Ljubljana DNEVNIK in Slovene
17 Nov 92 p 3

[Article by Alenka Brezovnik: "They Are Casting the Last Bell..."]

[Text] *If parliament does not decide the ironworks' fate this week, only a funeral will follow; resignations are ensuing in the Slovene Ironworks' board of directors because of weakness.*

Ljubljana, 17 Nov—As we already announced yesterday, Dr. Andrej Ovcirk, director of the Slovene Ironworks, submitted a written request for his dismissal today to Dusan Sesok, minister of industry and chairman of the ironworks' board of directors. Ovcirk, specifically, assumed his position as director because he thought that the state was prepared to rehabilitate the iron industry, but now he is no longer convinced of this and thinks that he is no longer needed. Dr. Franc Vodopivec, a member of the board of directors of the Slovene Ironworks and director of the Institute for Metallurgy and Technology, also offered his resignation yesterday with the same doubt that the current parliament could still approve financial rehabilitation of the ironworks.

The coordinating committee of the Slovene Ironworks' trade union also met yesterday, and described the full apocalypse of the Slovene iron industry for reporters. In response to a question about what it thought about Dr. Ovcirk's resignation, we received the answer that the trade union had already supported the financial rehabilitation

program a year and a half ago, and in doing so expressed complete confidence that Dr. Ocvirk would also carry it out. To be sure, all three of the ironworks are suffering from problems with the same common denominator. The ironworkers are concerned because parliament will not make a statement about their fate and acknowledge legally and formally that the Slovene Ironworks' debt arose in the past, and that they have to be financially rehabilitated, thus also saving the three banks fatefully linked to the ironworks. The government's efforts to get at least some payment made every month for deserving work are nothing more than a prolongation of the agony. If this problem is left for the next government and parliament, only the liquidation of the ironworks can follow.

In response to a question about what would happen on 18 November with payday at the Slovene Ironworks, all three directors answered: Boris Marolt from the Store ironworks, Andrej Kokalj from the Ravne ironworks, and Boris Bregant from the Jesenice ironworks. The shortest answer is "it is not yet known," but all three are aware of their responsibility to the 12,000 employees. The Store trade union members, involved in SKEI [expansion unknown], are already promising a general strike on 19 November if they do not get paid on Wednesday.

[Box, p 3]

Steel Will Remain

Jesenice, 17 Nov—Boris Bregant, director of the Jesenice ironworks, thinks that the announcements of resignations are obviously a political tactic, but also an attempt to solve

the problem. If all the parliamentary chambers do not pass all three laws tomorrow, the consequences may be very bad. This means bankruptcy, as a result of which everyone will be in the street, from the director to the doorman. Clearly a lawsuit from the banks will follow, and likewise a lawsuit from the infrastructure (electricity, gas) for the repayment of debts. Bankruptcy is obligatory in this case, since the Jesenice ironworks' transfer account has already been blocked for 500 days.

There are 3,900 workers employed at the Jesenice ironworks. The court will have to appoint a bankruptcy administrator, whose main duty will be to represent the creditors' interests. This does not mean, however, that steel will no longer be produced in Jesenice; it will primarily be a big social-welfare shock.

Boris Bregant says that he does not intend to resign himself, because he does not want to be like a rat that abandons a sinking ship.

[Box, p 3]

Resignation, If They Do Not Perceive Their Responsibility

Celje, 17 Nov—Boris Marolt, director of the Store ironworks: "Dr. Ocvirk's resignation is the only real possibility if the state and parliament do not perceive their responsibility and deputies do not even come to the meetings at which they are supposed to decide about the fate of the Slovene iron industry. I myself will also quite probably propose that the state, as the owner, dismiss me, if it is not capable of ensuring normal operation for the ironworks and their rehabilitation."

More on JNA Intelligence Activity in Macedonia

93BA0254A Skopje PULS in Macedonian
12 Nov 92 pp 32-34

[Article by Mirka Velinovska: "Combustion of Operation Ember"—third part in a series; part one published in JPRS-EER-92-162, 24 November 1992; part two published in JPRS-EER-92-164, 1 December 1992]

[Text] *While Macedonia was striding toward independence, the secret services of the Yugoslav Army, in parallel with the political scenarios for "saving Yugoslavia," were preparing actions for overthrowing and eliminating the "secessionist regimes." Although Macedonia did not have priority, a plan was prepared for disciplining the "southern Yugoslav Republic" if it proved to be needed. The text that follows is an exclusive report concerning the operational plans of the "JNA [Yugoslav People's Army]" and its "striking fists"—the security agencies, the KOS [Counterintelligence Service], "Opera Orientis [Air Force Propaganda Agency]," and the security agency of the Third Army District, the activities of which PULS brought to light for the first time. In this issue we reveal what the code was for destabilization of Macedonia, how the Macedonian officers opposed their former colleagues, how the organized counteraction of the Macedonian security agencies began, how the military hospital took care of itself, and how the recruits and the designated officers saved themselves.*

In the operating plans of the security agencies under the command of the Third Military District, the announcement and development of operation "ember" (or "hot coal") is very interesting. The plans, approved and signed by the former director of the security agency of the Third Military District, dealt with the following: work with collaborators—sources for monitoring the activity of the MVR [Ministry of Internal Affairs], identification of those noncommissioned officers and personnel from the former JNA who collaborated with the MVR, timely discovery of the intentions and plans of the agencies of the MVR towards the JNA, and so forth.

From the point of view of the Army, for which the days in Macedonia were numbered, undertaking this operation was necessary because, at that time, according to a decree of the Army command staff, everything that it thought belonged to the Army was leaving Macedonia, and this action could easily provoke a revolt with undesirable consequences among the citizens and between the former colleagues who did not intend to leave Macedonia. In a word, the members of the former JNA were insecure on this soil because of the general pillaging that they were conducting and because of the dishonest intentions that they had, as they were actively engaged in actions and activities that were beyond legal authorization. Witnesses to this were their former colleagues—Macedonians, Croats, Bosnians, and the organized institution of the Ministry of Internal Affairs, and because of that these were a source of their insecurity. Beyond that it was quite clear to them that they might be obstructed in the action of moving army property, in the intentions to make a new battlefield of Macedonia, or to try to destabilize it in any way. From there, through their loyal—mainly Serbian—

civilian employees in the Army security agencies, with their intricate network of collaborators, they were able to develop not only the secret, but also illegal, unconstitutional, and illegitimate Operation Ember. However, according to the evidence of a large number of former noncommissioned officers of the JNA, who presented materials also documented with facts, it is possible to confirm with certainty that the failure of this and of other similar actions was guaranteed. That is, it was very hard for the Army to control the terrain and effectively stand in the path of the demonstrated organized Macedonian disobedience, which is indicated by the report of Captain First Class Aleksa Markisic. As head of security of the garrison in Stip, he contacted the security agency of the command of the Third Military District on 18 February of this year, and he said:

"The property crime in the barracks increased significantly in the time period from 1 to 18 February 1992. We have particularly great problems in the unit since the arrival of Major General Mitre Arsovski, who with AUL [expansion unknown] and GL [expansion unknown] in the barracks held a meeting in which he 'grants as a right' to those who do not want to transfer with the unit and ordered and was seeking from the commands of the brigades that they approve admission to the barracks of all those who left the unit or did not go with it on a mission. From the day this meeting was held in the unit we had a pronounced grouping of the noncommissioned officers and civilians of Macedonian nationality and separation from the noncommissioned officers who intend to leave with the unit."

A number of noncommissioned officers and civilians on their own initiative left the barracks repeatedly in order to return to the workplace in five or six days, while part of the noncommissioned officers and civilians who committed theft of the weapons and equipment did not return to the barracks but are in the area of Stip opstina.

The higher-ranking noncommissioned officers of Macedonian nationality are "pressuring" the noncommissioned officers and civilians who want to leave with the unit by recruiting them and convincing them of the correctness of seeking not to move the equipment and weapons of the JNA from Macedonia, as well as by weakening the moral of the noncommissioned officers of other nationalities.

The following have particular influence on the group of the noncommissioned officers and civilians of Macedonian nationality: Lieutenant Trajan Mitrevski, commander in Stip; Commander Blagoja Davcevski, commander of the ARJ-PVO [Rocket Artillery Unit-Air Defense]; Lt. Col. Gojko Angelov, staff commander of the 50th Party Division. The noncommissioned officers and civilians who voluntarily left the unit and returned to the unit in four or five days with an excuse of illness are: Snezana Mitreva—pharmacist, Stanka Kazandziska—stomatologist, Boris Spasov—automobile mechanic, Ilija Mladenovski—automobile mechanic, Dragi Dimov—communications facilities mechanic, Ljupco Arsovski—battery technician, Stojan Mitev—automobile mechanic, Capt. Nikolai

Dimovski—CTO [Territorial Defense Company] commander, Lt. Col. Boris Spasovski—technical services commander.

Those responsible for the KD [expansion unknown] thefts of weapons and part of the equipment who are located on the territory of Stip opstina are: senior driver Misel Pestserov—theft of military equipment and TS [expansion unknown] communications, Lt. Mane Hadzimanchev, physician—theft of a pistol and 16 bullets, Lt. Mile Georgievski—theft of four sniper rifles and three optical sights, GL [expansion unknown] Sasko Jovanov—two automatic pistols and 150 bullets, GL Metodija Nikолов and GL Saso Kazandziski—theft of a food delivery van, GL Boris Spasov—theft of the mobile repair shop, GL Dragi Dimov, communications mechanic—theft of electronic instruments for adjusting communications facilities.

All the people who committed the above-mentioned property crimes have not been cited because they are not found in the garrison, and according to the information produced up to now, they could be found in the area of Kocani and Vinica opstinas.

The measures taken include the following: monitoring entry and exit from the barracks; inspection of m/v bags, packages, and safes; increased monitoring of all people in the vicinity of the barracks; providing the automobile parking lot with guard services; attempts to find people who fled into the city; and keeping the keys of the RK [expansion unknown] stores with the commander. These measures elicit great aversion, reluctance, and disapproval among the noncommissioned officers of Macedonian and Croatian nationality, who exert pressure on the brigade commander not to take these measures because "behavior of this kind revolts the people."

I think that with decrees of this type for not reproaching and not heating up the atmosphere, for indulgence in all areas and for all people, irrespective of what, how, and why they did something, we will not be able to completely finish the task of relocating the unit because in the next period, according to our estimates, we will have even more property crime and intentional damage and theft, which now, evidently, is caused by the noncommissioned officers and civilians who use these facilities. Our life and work in the barracks is made much more difficult by the presence of other structures (TO [Territorial Defense] and SNO [expansion unknown]) which often enter the barracks and are maintained particularly by Lt. Col. Trajan Mitrevski and Lt. Gojko Jangelov. On the basis of the past indications, I think that the organizer of all these anti-Army acts is the working staff of TO Stip and the Department of National Defense of Stip, where agreements for entering the Macedonian Army are signed and which possibly are not present in the barracks because of "great matters."

Proof more of the organizational resistance and behavior toward the Army actions in Macedonia is the evidence of a large number of members of the former JNA and civilians who, in the conversation with PULS, cast light on the period when the organized assembly and coordinated

action of the corps of the former ARM [Army of the Republic of Macedonia] began. The majority of them explained in detail the activities that they carried out, their commitment, and the results, but, however, they wanted their names not to be published. The explanation for this position is that they did not do what they did in order to be known as heroes one day. According to them there were no heroes. Simply everyone worked according to his conscience and ability. At the same time, from what we heard and what was documented, the entire activity was thoroughly coordinated, seriously developed, and, as befits professionals, with minimum risk for those who performed the tasks of the command nucleus. A typical example of this is the military hospital and its personnel. During the course of the war in Slovenia and in Croatia, the personnel of the hospital reported the problem of saving soldiers and noncommissioned officers—citizens of Macedonia who left the units in the critical districts or were sent home as wounded for recovery, after that to be returned to the fronts. The physicians and personnel, organizing themselves, began to work in a coordinated fashion for removing them, very frequently risking their own heads. In the beginning their only guarantees were the agencies of the Ministry of Internal Affairs, specific state agencies with whom they were in secret contact, and the security agencies in the former JNA of Macedonian nationality.

During these difficult and uncertain times, unity and the necessary secrecy was restored between the workers from the neurological, auditory, dermatological, and in part from the ophthalmological and internal medicine departments, but according to the statements of certain physicians it was not possible to penetrate the hospital administration. This situation in the military hospital also was well-known to the command of the Third Military District, as well as the security agency in the hospital, which obtained a specific mission and reinforcements in order to uncover and document the "treasonous activity" of the physicians. Even a special commission was formed on order of Gen. Kukanjac in order to uncover and try the crimes of the medical authorities. The task of this commission was to evaluate the activity of the physicians who issued diagnoses with which soldiers and noncommissioned officers were sent to their homes instead of to the fronts. Three physicians, whose names are known to PULS, would suffer particularly from this activity since the security agency already was preparing for their arrest, but by means of the same well-organized network of the security agency of the former JNA Macedonians, it was discovered on time and not only was their escape agreed upon but also it was successfully planned, providing them with the travel documents for leaving the territory of Macedonia. It is interesting that beside the Gligorov-Adzic, the intentions and honor of the conduct of the Army were not much trusted, so that the personnel of the military hospital, in coordination with the corresponding services, took measures that would be necessary if the JNA had decided on action for "liberation" of Macedonia from this health facility. Watches were organized and every one of those included knew how to act. Not only to report, but also in individual cases to prevent such actions, as was the

case when the nurses from the intensive care department prevented the detachment, disassembly, and removal of the monitors that were being used for patients at the time.... The machine-gun nests located in the hospital were observed literally every second, on the basis of which a plan for their neutralization, if it proved to be necessary, was developed. An agreement was reached, and organized in detail, with certain public enterprises and with private shippers to come on call with heavy trucks in order to obstruct and block the approaches to the hospital. An extreme version was developed in order to prevent the evacuation in which—with a call to the citizens in the surrounding buildings—temporary evacuation would be prevented until an agreement was reached. We were given many examples of the removal of medical material and its concealment in safer places, all in order to save that which might be necessary for Macedonia.

As the personnel of the military hospital was working, organized for withdrawal of the soldiers from the currents fronts, the Macedonian noncommissioned officers were taking the same actions at the garrisons and at the price of their personal safety. Making use of their connections in the garrisons in Belgrade, Nis, Titograd, Pristina, Sarajevo, and even in Croatia, they successfully provided channels for removal of Macedonian citizens, who, as recruits or civilian employees of the JNA, were at the front. If it had been otherwise, if the evidence had not been removed, and if these actions had not been taken, the former JNA would have replenished its ranks with 16,075 recruits. In this regard the organized activity of the noncommissioned officers of Macedonian, Croatian, and of Muslim nationality, who according to the evaluations of the Army authorities were a "risky" factor for the single-minded Serbian Army, resulted in a whole series of successes. One of them is the degree of organization of the Macedonian noncommissioned officers at the Petrovets Airport, who, in the difficult conditions of increased security, succeeded in protecting the vulnerable sky of Macedonia (because the radar was removed in August 1991) from actions and neutralizing the possible provocations. For example, according to the reliable security information that on 2 and 3 December a high-ranking Army delegation was at a meeting with its Greek colleagues, the next day, at 0955, a Greek airplane crossed Macedonian territory at landmark 163, in order to leave at 1010 at landmark 153. The purpose of this violation of the airspace of Macedonia, as has been shown several times up to now, was to frighten the country and the citizens, and to reject the intentions and demands for having the JNA leave this territory. The declaration of Maj. Gen. Mirko Nikolovski on 4 February of this year, when it was clear even to their sparrows that the former JNA had finished singing its song in this area, indicated this when he said: "If it comes to the fact that they force us to leave the airfield, we will not be in a position to be able to revitalize it for five years." How else could these words be understood except as a threat that the airfield would be destroyed? Fortunately for all of us it seems that everything was not left to the ruffian and nervous behavior of the officers who were leaving. Quite the opposite. Beginning in the summer of last year, and

particularly intensively and in an organized fashion during October, within the framework of the former JNA, in collaboration and in coordination with the government agencies and the Ministry of Internal Affairs in particular, a core composed of noncommissioned officers and members of the KRG [counterintelligence group] i.e. the security agencies of the former JNA, began to operate. The purpose was to maintain peace in Macedonia, in spite of the frequent provocations and the removal of literally all weapons and equipment. What the risk was of provoking some kind of conflict is indicated by the fact that two armored battalions were maintained in Skopje as protection, and the elite units for antiterrorist actions and the sabotage units from Nis and from Skopje also were here. The second mission of this nucleus, along with which subsequently many such nuclei of the ARM appeared, was continued monitoring of the withdrawal of the JNA in order to prevent the consequences that could appear, and third, expanding the contact and communications with the relatives of the noncommissioned relatives who were outside of the territory of Macedonia in order to explain the events in Macedonia to them, as well as to remove them as quickly as possible and put them at the disposal of Macedonia. According to certain reports, the officers who were located in southern Serbia and in Kosovo were told to stay in the units in order to monitor the situation from within and to announce in a timely fashion if the JNA intended to descend on Macedonia for the sake of intervention.

This means that what began in a disorganized and conspiratorial way among the Macedonian noncommissioned officers in August, by December already had grown into an organized illegal activity in which even the high-ranking officers, who knew how to direct the actions, became involved subsequently. The nuclei in the operational Army—sometimes on their own initiative, sometimes through instructions received—arose in all garrisons on the territory of the Republic of Macedonia and instantly communicated with the agencies of the Ministry of Internal Affairs and the territorial defense staffs. This was a result of the successful coordinated actions, which created even greater insecurity and nervousness among the command personnel of the former JNA. Every action was a case for itself.

By the end of January the illegal security network approached Gen. Mitre Arsovski, who for a fairly long time had openly come forth and resisted the activities of the command personnel of the Third Military District, where he was at one time chief of staff, and, for some time already, according to the information of the security agencies, was organizing the officers to block the illegal actions of the JNA. On 17 February at a secret meeting, the illegal network of the OB [Security Agency] was put under the command of Arsovski, whom it informed concerning the condition and completion of the tasks that he had given them. In the meantime, the actions subsequently developed with or without his knowledge, but according to common plans, prepared in collaboration with the SDB [State Security Service]. As a result of all this, as well as of the activities up to that time, Macedonia, that is all units in the garrisons, were covered. Not only were the moves of

the Army known at every moment, but an organized removal of material from the barracks and from the warehouses began. Even many risky actions such as stealing the military plans in the military commands were carried out. Our interlocutors told us about the way in which these actions were carried out. Namely, a safe entry into certain areas would be provided by replacing sentries with reliable people or removing unreliable people; documents were taken to a safe place and photocopied, and immediately afterwards the originals were returned to the safes. The same situation occurred in Kumanovo and Bitola, but the plans of the Third Military District were copied for 15 days successively even in spite of reinforced security. According to the same principle of considered and precisely worked out actions, each one of the participants, in accordance with the possibilities of the job and position, removed, concealed, or disabled that which the former JNA wanted to remove from Macedonia. For example, the retired Ljubo Petrevski who, as a long-term employee in the security agency had access to the central stores, using his own connections and information from his coworkers, was informed promptly of the intentions of the JNA concerning the weapons of the TO of Macedonia.

What all situations were discussed is known only by the actors in the dramatic events, where no one knew if the former JNA would leave our country in peace. One of them, Ensign Ago Hurdic, from the Kumanovo Garrison, thanks to his presence of mind, succeeded in saving a workshop in which equipment was located. Namely, when one of the "enthusiastic" Serbian officers wanted to destroy all the equipment, including connected units, Hurdic immediately communicated with the agencies of the DB [State Security] and through the duty officers in the electric distribution system the current was cut off and the catastrophe was avoided. The civilian employee of the JNA, Stojan Cvetanovski, an artillery mechanic, with his team of trusted people, and according to a plan carefully developed by the agencies of the KRG, succeeded in removing the special tools without which certain artillery facilities become ordinary iron. Upon being informed that the tank unit from the "Ilinden" barracks (at that time "Marshal Tito") in February would be moved to Urosevac, the following plan was carried out in spite of the risk due to the increased security: The disassembled tools were removed with a KRG truck in three operations. All documents concerning the number of armored vehicles and artillery facilities which were located on our territory and so forth were protected according to the same principle. The work of one of the members of the KRG, who were at the disposal of the Macedonian Government, just for example, resulted in a specific diversion and removal of the noncommissioned officers and reserves who were to be sent to the Croatian battlefields. Thanks to the coordinated action and continuous work between the people and making use of their requests for demobilization prepared ahead of time, the majority are alive today.

A similar successful mission was carried out in the "Djorche Petrov" barracks, when one of the members of the conspiratorial nucleus of the ARM reported that the barracks were mined, as well as who had placed the mines,

so that it was possible to deactivate them on time and without consequences. The plan to send the tanks from the tank unit out of Macedonia was sabotaged in the same way without a problem. There were not enough drivers for the Army to leave and the Macedonians did not want to do that, and only three drivers were found for 43 tanks. Pieces of information of this kind were positive signals for the Macedonian officers who, together with their "unsuitable" colleagues, Croatians, Muslims, and Albanians, knew precisely the potential power available to the Army and how and when to resist it—if necessary. In the meantime, all our interlocutors, independently of one another, confirmed one fact to us: The greatest danger for Skopje came from the second tank battalion, composed of noncommissioned officers and officers known for their unconcealed nationalism and extremism and, they called them, all warriors chosen and tried in the Slovene and Croatian battlefields such as Senior Platoon Commander Jovis Savic, Ensign Vaso Maljkovic, and his colleague in rank Slobodan Jovanovic, Capt. Ljubivoje Pantic, known from the Knin front as "Grom Panta" and who was decorated for his "military services" in Croatia by the famous Gen. Mladic.

What these extremists had decided upon is indicated quite convincingly by the minutes of a meeting held in the staff of the armored brigade in the "Marshal Tito" barracks when Lt. Col. Ratko Andjelkovic, then chief of staff, declared that "if necessary, he personally will enter a tank and will fire its 43 grenades into the buildings of the Assembly and the television."

Of course declarations of this kind to a great degree are due to the failure of the former JNA in its intention to make a trash heap of Macedonia. And, in addition to these scenarios and measures which the Army security agencies undertook to discredit and render impossible the idea of an independent Macedonia, and in addition to the involved collaboration networks and their preservation for "better times," it seems that precisely here, before their eyes, a parallel army composed of people motivated to defend their own was being born. Perhaps just because of this each action of the highly trained personnel of the security agencies was parried by equally successful counteractions of the Macedonian security forces in the corps of the ARM, the MVR, MNO [Ministry of National Defense], TO, and the SNO. If it had happened differently, who knows what would have been the ultimate outcome, because, as numerous witnesses of the events confirmed to us, those professionals encountered in the Army behavior and intentions that they knew and understood. Where there was mining, removal of mines followed quickly with conspiratorial actions. As for example in Kocani, where transfer and theft was planned, the actions were countered, and where the security agencies of the former JNA wanted to create the "Opera" scenario in order to decapitate the country through cheap propaganda or through treason, or revolution, even if all the perpetrators of the heinous deeds were known, counter activities, which practically incapacitated the potentially harmful activity of the spy network, were carried out. In dealing with this matter and because of the fact that PULS is involved in shedding light—at least

partially—on the period just passed, the people with whom we spoke and who, because of the nature of their work, had to remain anonymous, expressed a certain dissatisfaction because of the general nature of the treatment of those whom we characterize as being from Kosovo, although they in collaboration with the SDB of the MVR were the first to be able to counter the intentions of an army such as the JNA was in an organized fashion.

As far as the "Opera" itself and its intentions are concerned, which, in any event, held the Macedonia "Ember" dossier, our most competent interlocutors told us that only those in the Army command in Belgrade and Gen. Tumanov were able to know about it, because on such missions the Macedonians, except for those who were loyal to him, regularly were put to the test and in general proved to be disloyal. Legally, as we were told, the security service of the former JNA was formed and operated for counter-intelligence protection of the units and of the noncommissioned officer personnel from the action of foreign services and from terrorism—of course, according to constitutional authorizations. The network of these agencies, used for these purposes, not only left Macedonia, but no particular danger threatens our country from those who remained. What these interlocutors indicated to us in the meantime is the existence of an illegal Army intelligence activity that creates an agent network outside of the legal authorizations and about which only the Army security authorities know. Such a network is registered separately and everything that is done and who does it passes "from hand to hand." According to the professional evaluation and the facts available to the security agency of the ARM, it assures us that this agency can offer potential danger to Macedonia, depending on whether it is active or maintained. At present, we have been told, an effort is being made to tear apart the spider's web woven through Macedonia, because it has successfully begun particular actions; in the meantime the unexplained plans for creating, establishing, and leaving behind a characteristic fifth column in a country that is going its own way still remain. According to Tumanov's evaluation: "Serbia will not easily let go of Macedonia!"

[Box, p 33]

Removal From the Airport

Two-way radio communication from objects at the Petrovets Airport was endangered by booby traps that had been set, which were intended for those who will take the airfield. Lt. Col. Risto Todorov, serving in the air corps in Nis, as the second in command responsible for security in the above-mentioned corps, worked for several months on the safety of clearing the Petrovets Airport.

Upon the retreat of the JNA from the Petrovets Airport, there is a plan to mine the runway, especially if the retreat was blocked. For this purpose explosives were brought by air from Nis by the airborne unit. All of the documents concerning the objects, including the runway, were taken from Capt. First Class Svetislav Makreshanski, who was responsible for keeping them.

The more important objects at the airfield are protected by airborne troops and the military police—reservists from Nis (all told around 60).

In case the retreat of the JNA from the airport was blocked, four luminous bombs, placed on two airplanes, were prepared for operation in nighttime conditions.

Ten days before the retreat, there was a slaughter of the livestock at the hog farm in Petrovets, at which, among others, Gen. Trokha and the commandant of the airfield, Col. Dashic, were present.

[Box, p 34]

Evacuation of the Barracks

All those Macedonian, Croatian, Albanian, and Muslim officers who were at the disposal of the ARM, which was created under very difficult and insecure conditions, in accordance with the places in which they worked, completely monitored the activity and intentions of the former JNA and concerning which they regularly informed the corresponding government agencies. We shall cite several examples of this activity:

The "Marshal Tito" barracks in Skopje were evacuated before Friday, 21 February 1992. The first tank battalion and first tank unit remained to protect the evacuation of the command of the third military district. One hundred and fifty motor vehicles were planned for the evacuation of the rear. It was planned that everything was to be removed from the barracks, and that the kitchen and equipment in it, the workshop, the spare parts for combat and non-combat equipment, and around 900 metric tons of artillery ammunition were to be disassembled. The guns in the KMT [expansion unknown], the miniature guns, and the tank operator training base were to be disassembled or destroyed.

Around 12,000 military uniforms still were left to be removed in the quartermaster's warehouse.

Seven tanks that were at the "Tito" Machine Construction Plant for repairs and 300 tons of fuel in barrels and other packaging were to be removed. The other fuel was removed and sent to the Slatina warehouse at the airfield in Pristina. The ammunition from the Erebino warehouse was sent to the Vair warehouse at Kosovska Mitrovica.

Col. Drobnjak, former commander of the 52d Air Defense Unit, was named as commander of the 311th Missile Regiment.

The 243d okbr from Pristina was assigned to the Uroshevats Prizren and Gnilane garrisons. The 1st Tank Battalion was planned to be redeployed in Vucitn.

On 17 February 1988, 60 soldiers with weapons and two b/k [armored personnel carriers] were sent from Kosovska Mitrovica to Strumica with the mission of securing the withdrawal of the Strumica unit.

Around 450 youths from Krivolak and from Petrovets were sent to VE Grachanica.

Draskovic Decides To Participate in Elections

93B40280E Belgrade BORBA in Serbo-Croatian
17 Nov 92 p 2

[Interview with Vuk Draskovic, president of the Serbian Renewal Movement, by Branka Mitrovic and Dragan Bisenic; place and date not given: "Whatever We Do, We Will Be Wrong"]

[Text] "If the Main Committee makes the decision, whether we participate or do not participate in the elections, we will have to wait for the decision of the DEPOS [Democratic Movement of Serbia] Council this evening. If the decision is negative, and the decision of the DEPOS Council is affirmative, then the question will be—What do we do now? If it is the other way about, we will again face the same question. All of this two days before presentation of the slates! In case of a difference in position between the decisions of the Main Committee of the SPO [Serbian Renewal Movement] and the DEPOS Council, then the big enigma will really come. I hope, nevertheless, that there will not be that difference. Finally, the responsibility for participating in the election contest, under these unequal conditions, is borne by those who have compelled us to participate in the elections, if that is what we do. I am referring to those in the opposition who have violated the agreement. I will not bear the responsibility for possibly not taking part in the elections, but let it be borne by our membership, the Main Committee of the SPO, and the DEPOS Council."

This is how Vuk Draskovic, SPO president, commented on the dilemma that party faced in almost dramatic Hamlet fashion: To participate or not participate in the elections?

"It is horrible now! Boycott them and cry out that the elections are illegitimate, because DEPOS is not participating in them. That is a strategy of sorts, but it is fraught with the horrible risk of causing a conflict in Serbia or of simply pushing the international community into additional punishment of Serbia. Taking part in the elections—we will get a certain percentage, but the way this television is, we cannot hope for anything good," Draskovic said, thinking out loud.

The Democratic Party Ruined Everything

"The decision on whether the SPO can take part in the elections under these conditions will be made by the Main Committee today, and by the DEPOS Council tonight. It is a horrible dilemma. And the opposition is faced with that choice by the peripheral and small parties, by large ambitions and great vanities. I cannot understand either the motives or the courage of certain colleagues in the democratic opposition who have rushed to take part in elections under these conditions.

"From the outset I have insisted and implored that we be unshakable in our unified fight for honest political conditions, because only in that way could we have forced the regime in Serbia to give in. I implored that until those conditions are met, neither DEPOS nor the Citizens Alliance [GS] make any decision to take part in the elections. Unfortunately, the decision of the DS to take part in the

elections put us all in an impossible position. If we boycott the elections, we offer an opportunity to those small parties to gain something, because a considerable number of DEPOS adherents, who want an election, would then give it to them.

"But taking part in the elections under these conditions is like being an actor in a tragedy entitled 'Another Election Deception and Victory of the SPS.' What that will mean for Serbia, I am afraid to think about. There will be a tightening of the sanctions, a complete blockade, separation of Montenegro, and it is even possible that there might be a war between Serbia and Montenegro, an uprising in Kosovo and in Raska, great suffering of our people in Bosnia and the Krajinas.... All this will happen if the SPS [Socialist Party of Serbia] wins, and you can say that under those conditions it will win. The world will not understand us if we boycott the elections, but we will share the blame for Milosevic's victory if we do participate in the elections. So, the one possibility of all of us together in the democratic opposition stepping up the fight for equal conditions to the maximum has unfortunately been ruined by the Democratic Party [DS]."

[BORBA] The Democratic Party nevertheless left open the possibility of not participating in the elections.

[Draskovic] Do not be naive! The slates have to be presented on Thursday. It did not even make the effort for the elections to be postponed for the amount of time by which the republic and federal administrations are behind in the election procedures. Really, it is as though someone had a strategy of throwing DEPOS out of the game with various ruses, so that the SPS faces the remainder of the rest of the opposition.

[BORBA] As far as we know, you are nevertheless collecting signatures for your candidates.

[Draskovic] We must be technically prepared if after this breach of the joint strategy by the DS, our Main Committee nevertheless decides not to allow them to run the race without us. In any case, I would be happy to hear the news that the DS is revoking its decision. For instance, what happened in television is for me equivalent to a crime. They show a man standing over his dead son and appealing, actually to his murderer, with the words: "Dear Slobo, help!" That is worse than a crime. The Democratic Party ought to be shocked, but also sobered up, by that lamentation. What else are they preparing for us before the elections? What other professional mourners and stage directions!"

"A Bit Better Than Being Dead"

[BORBA] Your dilemma, it seems, is much like this: "Damned if you do, damned if you don't."

[Draskovic] Whatever we decide, we will be wrong. I emphasize once again, the only true decision would be this: That DEPOS, the Citizens Alliance, and the Democratic Party will not participate in the elections under these conditions. Then we would certainly win the necessary conditions and save Serbia. The people in the leadership of the parties who never budge out of Belgrade, for whom

party activity means press conferences, interviews, panel discussions in some city, but what is happening in the countryside, in suburban settlements—they have no idea. For many it is a lullaby to be heard by 100 or 200 of their adherents, but how does that compare to the millions who are going to vote? And I am much more a pessimist after returning from the south of Serbia than before I went there. In the village Kravije near Leskovac, for example, the peasants came out to hear me and see me. Some of them were holding hands. Both men and women made a human chain. They trembled, and when I came up to them, they moved away out of fear. In their eyes, I was Satan, a murderer, a butcher, the one who is sending their children to war, a spy, a traitor, a person guilty for all the unhappiness in Serbia, for their miserable lives. If it is like that there, where nevertheless they do have paved streets, what is it like in other villages? In Temska near Pirot, they pulled out Milosevic's photographs as though "spontaneously." They told me that their pension was miserable, but when I asked them why they favor a government which gives them that misery, they replied that it could be still worse, although in answer to the question "How are you?" they said: "A bit better than being dead!" Yes, the time is right for a change of direction, but some people in the opposition have not reached the point of seeing that. They were in a hurry. Where are they going and why, I wonder?

DEKO [Democratic Coalition]—A New Trick

[BORBA] Can the conclusion be drawn on the basis of what you are saying that the strength of the opposition parties is not such that it can prevail over the SPS at this moment?

[Draskovic] That assessment is erroneous. I realized that the victory of the opposition is certain provided we have an open screen on Belgrade television for at least two months. In the rural areas, they whistled at me when I arrived, but when I talked with those people for a bit and calmly explained certain things, they threw away Milosevic's pictures and exchanged embraces with me. So, we were in an ideal situation to win the fight for a free television, but that chance was gambled away. And I firmly believed that there would not be any strikebreakers in the democratic opposition. Now the situation is horrible! We do not know what to do.

[BORBA] Do you hope Cosic and Panic will help?

[Draskovic] We have hung around waiting for support from Cosic and Panic for two months: we have humiliated ourselves, and in a way we have admitted that we actually are no force at all when we could rely solely on those two men, and that, once again, on the initiative of small parties which were looking for some kind of an opportunity on someone else's coattails. Of course, from the outset I have been in favor of supporting them, if Cosic and Panic are in favor of the opposition, but for us to put our entire destiny in their hands—that would not be smart. If we expended that energy where it was needed, on the television issue, we would have succeeded. This way, we have said: Cosic is going to do this, Panic is going to do that, and now we are right where we were before they came, and the time has

been wasted. We should not beg Panic and Cosic to support the opposition. That should be demanded of them, and they have to do it if they want what they say they do: for the war to end, for the sanctions to be removed, and to return Serbia to the world. We must not and cannot get stuck in no-man's-land.

Now there is an immense campaign to convince Cosic to be a candidate for president of Serbia. Why? He is the president of the FRY [Federal Republic of Yugoslavia], and the world has just gotten to know him and establish contact with him. Finally, Cosic cannot beat Slobodan Milosevic. To be sure, he will attract 15-20 percent of the disappointed members of the SPS, left-wingers and Communists, but however much DEPOS supports him, he can hardly attract that nonleft-wing, right-wing, democratic, and European Serbia. He cannot attract even a single monarchist, and in the polls they represent more than 30 percent. In any case, the conflict between Cosic and Milosevic is only personal in nature, but there is no conflict of political ideas. If by some good fortune Milosevic were to resign, most of the SPS would love to see Cosic president. I would like that myself, because he is nevertheless a man to whom one can talk and is inclined to compromise.

[BORBA] In addition to DEPOS, another coalition, DEKO, has also been formed. Do you expect any result from it?

[Draskovic] DEKO is again a trick of the small parties who would like to remove Milosevic, but also DEPOS at the same time, if that is at all possible. DEPOS is a name which has gone into almost all the homes in Serbia, and now just one month before the elections someone has a bit treacherously thought up this DEKO and brought about total confusion. I even told Micunovic: Welcome to DEPOS! That is a name Serbia knows, and no one is going to build a new name one month before the elections.

In any case, I am sorry that I have had to concern myself so much with that fatal decision of the Democratic Party. My intention in doing so has not been to denounce them, nor to start a quarrel, but I am simply desperate because of the fact that that party, although small, is worthy of respect, but has violated the agreement of the opposition that they would jointly tighten the rope around the authorities until television was finally liberated. After that, all the rest would be easy as pie.

[Box, p 8]

The Goat Is Guarding the Cabbage

Just before I left on my trip I was asked to go to see the president of the DS, so that we could talk about different rules of the election campaign for television. I was told that the leaders of the Citizens Alliance and DEPOS were there and that Dragoljub Micunovic had asked for me to come. Aside from one member of the DEPOS Council, there were no others. I protested, and I said of the document offered me that it was acceptable in principle, but it had one fault: It does not guarantee that TV will respect it, nor could it until the leaders submit their resignations. I told Micunovic: "This paper seems to me like a garden of good

cabbage. But there is a goat in the garden whose job is to guard the cabbage." Even after all that, someone in the DS said that I had accepted that document and called for a meeting, and finally there was the decision that they would take part in the elections. That is a fatal decision both for the opposition and for the destiny of Serbia.

Disputes Over Use of Hungarian in Vojvodina

93B40059B Novi Sad MAGYAR SZO
in Hungarian 4 Oct 92 p 7

[Article by Gyorgy Lajber: "New Language Policy in Practice"]

[Text] *The decision of the VMDK [Democratic Union of Hungarians in Vojvodina] councilmen on the Obecse [Becej] Municipal Council not to attend council meetings until the material for each meeting is presented to them in Hungarian has had a mixed response. The pros and cons of equality in using Serbian or Hungarian.*

It is now practically a cliche to suggest that—contrary to what used to be emphasized with predilection—equal language rights actually were not an achievement of recently vanished socialist society, because in our region such rights were established practice already at the end, and even at the beginning, of last century. Burrowing in archives, one can find numerous bi- and even trilingual documents, the minutes of various meetings. In other words, it was recognized even then that this actually is one of the basic preconditions for coexistence, and it was also not uncommon for prominent figures in public life to learn each other's language.

Today it is impossible to determine how much of a problem the establishment of that practice posed for our ancestors, how they were able to provide the wherewithal for it, and how much of the cost the taxpayers had to shoulder. But the fact remains that whenever the question of equal language rights comes up these days—at a time when we are attempting to prove continually to the wide world that there is nothing wrong with minority rights in our country, and that at one time the minorities even had more rights than what the state-forming nations enjoyed—one always hears comments to the effect that perhaps we should not be spending on such things when we are already hard up.

Such comments could be heard also at the June organizing meeting of the Obecse Municipal Council, when the council's 17 VMDK councilmen unambiguously informed the municipality's leadership of their demand to receive in Hungarian in the future also the material for each council meeting. An independent councilman commented at the time that this circus would prove very expensive. Several councilmen (including SZSZP [Socialist Party of Serbia] members among them) objected to letting VMDK councilmen present what they had to say first in Hungarian and then in Serbian, because they could be saying one thing in Hungarian and something else in its Serbian translation (?). The councilmen concerned replied that on their part this was just a goodwill gesture toward the municipality forced to cope with organizational problems, and that they

themselves were demanding an efficient translation service. They were promised such a service, because Article 41, Paragraph 1, of the municipal council's rules of procedure permits the equal use of both languages, on the basis of a municipal statute.

But the material, other than the invitation, for the council meeting scheduled for 25 September was again presented only in Serbian, and it was then that the 17 VMDK councilmen decided not to participate in the council's work until their legitimate demand has been fully met. The meeting had to be adjourned. This produced a reaction from the SZSZP councilmen: they claimed that the VMDK was obstructing the council's work. A group of councilmen even reproached the chairman (who, incidentally, belongs to the SZSZP) for making too many concessions to the VMDK; they proposed asking the republic's government to create order if the situation could not be resolved any other way. In the end it was agreed than an attempt would be made to meet the VMDK's demand for 28 September. The attempt failed, but the VMDK councilmen were more tolerant on 28 September. Seven of them were willing to consider an item on the agenda—to set up the municipal council's committees and to appoint councilmen to office—because it had been presented in both languages; furthermore, another item placed on the agenda with a call for a vote of urgency. After the votes on these two items, the VMDK councilmen departed, but the meeting could continue because on this occasion all the SZSZPO, SZRP [Radical Party of Serbia] and independent councilmen were present for a quorum. At this point someone noted that work could continue even without the VMDK councilmen. But the council's executive committee does not share this view and, after such an emphatic warning, is doing everything possible to restore the translation service that had functioned continually between 1968 and 1988, until it was scrapped because funds for its operation were lacking.

In other areas within the municipality of Obecse, equality in the use of Serbian or Hungarian is being achieved somewhat less elaborately. Up to now, for instance, litigants before the municipal court have been receiving copies of the court records, and of the judgment, in the language of their choice; and the trial proceeded either in Hungarian or with the help of an interpreter. Perhaps public education presented the fewest problems in this respect. Hungarian and Serbian sections of kindergartens have been established proportionately, and even bilingual ones have been opened. Every comprehensive school offers separate instruction in the two languages. In the secondary schools of Obecse there have been separate Serbo-Croatian and Hungarian sections since 1963 (they were introduced in the gymnasium that year). Regrettably, enrollment in the Hungarian sections has sharply declined lately. As a language spoken in the region, Hungarian is being taught in comprehensive schools. At the beginning of this school year, however, several parents protested at two central schools against teaching their children Hungarian (although only as an elective subject). In their opinion, it would be better to teach the pupils some other, world

language. In other words, these parents think that coexisting ethnic groups should use only the state language in their mutual contacts, because it behooves the minorities to learn that language anyhow. But there is also a more "self-evident" solution: Eventually the coexisting ethnic groups will be able to make themselves understood in some world language that they both know.

Well, this ends our survey of the general situation regarding a minority language's use. If the Socialist Federation were still in existence, its analysis published every six months with clockwork regularity would probably claim that "everything in this area is in best possible order."

That depends on one's viewpoint.

Statistics on Hungarian Schools in Vojvodina

93BA0059A Novi Sad MAGYAR SZO
in Hungarian 30 Sep 92 p 13

[Unattributed article: "How Many Children Are Receiving Instruction in Hungarian?"]

[Text] At its meeting yesterday, the Education and Culture Committee of the Provincial Assembly considered the results of the policy on admissions. First-year enrollment in the Serbian sections of third-stage secondary schools is currently 9,738. At that stage of secondary education, 1,345 places were set aside for classes in which Hungarian is the language of instruction, but only 1,171 students have actually enrolled. At the fourth stage, there are 11,214 students enrolled in the Serbian sections. Here, 1,130 places were set aside for classes with Hungarian as the language of instruction, but the actual enrollment is only 983 first-year students who wanted to continue their studies, or had opportunity to continue them, in classes with Hungarian as the language of instruction. There are 27 secondary schools offering instruction in Hungarian, and their capacity utilization is 86.7 percent. Eight gymnasiums have Hungarian sections, and they are operating at 93.7 percent of capacity. In the 1992-93 academic year, total enrollment is 10,239 in the third stage of secondary education, and 9,738 in the fourth stage.

Comprehensive schools had a combined enrollment of 216,000 last school year, and this school year that total has not changed significantly. Serbian is the language of instruction in 465 comprehensive schools. In addition, there is also instruction in Hungarian in 120 comprehensive schools: in Slovak in 17; in Romanian in 28; and in Ruthenian in three schools. Total enrollment in the first grades of the Hungarian sections was 2,569 pupils.

In the light of the above statistics and taking also university admissions into account, the commission termed the results of the policy on admissions satisfactory. It also emphasized that in the Vojvodina the conditions for receiving instruction in one's native language are more favorable than in Europe or in the world on average.

At present there are 4,705 refugees studying in Vojvodina schools. On their behalf, the committee has appealed to the

United Nations High Commissioner for Refugees for material assistance that would enable them to continue their regular studies.

Proposed Law on Defense, Army Discussed

93BA0289D Belgrade BORBA in Serbo-Croatian
21-22 Nov 92 p 8

[Article by B. Solesa: "Defense Is Exclusively in Federal Jurisdiction"]

[Text] Belgrade—"In case of an attack on the country, all citizens within the country and abroad, the commands, units, and institutions of the Army of Yugoslavia, representatives of government bodies, agencies, and organizations, and management bodies and officers in firms and other juridical persons, must as soon as they learn of it, without waiting for an appeal or order, act according to their war orders and obligations set forth in the country's defense plan or excerpt from that plan and the decisions and measures of the Federal Government," states Article 7 of the proposed version of the Law on Defense which the Federal Government delivered yesterday to the Assembly of Yugoslavia for consideration and possible adoption.

The Yugoslav Assembly is empowered under Article 4 to proclaim "an immediate danger of war when it finds that a danger exists"—if there is a danger of attack or other form of external threat to the country; a state of war—if an attack on the country is imminent or has begun; a state of emergency—if there is internal unrest on a major scale that by violence and other illegal forms of activity threatens the country's constitutional order or when a natural or other disaster occurs which represents a large-scale threat to the lives of citizens and their property and the country's material resources. On the initiative of Milan Panic, federal prime minister and defense minister, the six projected laws on various forms of organization of the Army have been "packaged" in a single law on the Army of Yugoslavia, the proposed version of which has also been delivered to the Yugoslav Assembly for debate and final decision along with the proposed version of the Law on Defense, which we mentioned. Article 12 of the proposed version of the Law on the Army envisages an oath to be taken on induction into the Army which reads: "I (first and last name) swear by my honor and life that I will defend the sovereignty, territory, independence, and constitutional order of the Federal Republic of Yugoslavia [FRY] and that I will faithfully serve the interests of its citizens." Required military service of 10 months is envisaged, or 20 months if service is without weapons (in a uniform) or in civilian clothes.

As is well-known, and this follows from the provisions of the FRY Constitution, the greatest rights and duties concerning the bodies of government related to the Army are possessed by the president of the Republic of Yugoslavia, who orders implementation of the plan for defense of the country, commands the Army of Yugoslavia in peace and war, in keeping with the decisions of the Supreme Defense Council (which along with the president of the Republic of Yugoslavia also consists of the presidents of the republics

of Serbia and Montenegro), establishes the military-territorial division of the country, and performs other tasks as set forth in the FRY Constitution.

The range of duties and obligations of the Supreme Defense Council of Yugoslavia is very extensive, and it presupposes adoption of the country's defense plan and the making of decisions under which the president of the republic commands the Army of Yugoslavia. It is the obligation of the Federal Government, under the Law on Defense, to conduct a policy of national defense, to order general mobilization, to adopt decisions concerning operation of the bodies of government, enterprises, and other juridical persons during a state of war....

The question of the date of adoption of these laws remains open, because it is uncertain whether the Yugoslav Assembly will have the strength and will to take up this extremely important subject matter before the elections announced for 20 December of this year. In view of the plans in the top military leadership of Yugoslavia, a very great deal is expected from these laws, which at the moment are only bills.

Biography, Accomplishments of Serbian General

93B40289B Belgrade BORBA in Serbo-Croatian
21-22 Nov 92 p 11

[Article by Slavisa Lekic: "The Good Soldier Sljivo"]

[Text] In spite of the fact that some consider him a criminal and others a hero, Veselin Sljivancanin, general, an altogether new figure in the sky of domestic national politics, is above all a synonym of the Serbian present. Least of all because of his indisputable bravery, decisiveness, or striking appearance; it is his occupation and thinking that are relevant!

The best-known officer in the last Serbian war gained fame in the media on the Vukovar battlefield, where, judging by the confessions of the "veterans of Vukovar," he was one of two officers who took an active part in the fighting. He reluctantly admitted at one time that he felt best "when he took a sniper and added him to his own men" and felt pangs of regret when his bodyguard and driver, young Sergeant Popovic, was killed ("I felt that I must kill 1,000 Ustashi to avenge a man whose only guilt was to have been a soldier of this country"), but the public got an idea of this personification of the successful soldier only after the TV presentation of his "negotiations" with representatives of the International Red Cross and with "Hawk," a colonel in the Croatian Army. The myth of a domestic General Patton, which is to say—of a good soldier and bad politician—was deliberately glorified by the top leadership of the JNA [Yugoslav People's Army] when it let everyone know its political attitude toward any outside involvement in the "domestic war"!

The "knight from Vukovar," as they called him following "liberation" of the city on the Vuka, or "Sljivo," as the soldiers themselves refer to him, was born 39 years ago in the vicinity of Zabljak, on the slopes of Durmitor. Precisely 10 years earlier, on 13 June 1943, his idol, Sava Kovacevic, was killed on the Sutjeska. Another item for his

biography is that even today "Why Is the Sutjeska Roaring" is his favorite song after the anthem and that he often quotes lines of poetry which begin "Who is afraid of death is not a man!" It is normal that the military academy should have come afterward, and then, a bit later, the robust man from Durmitor would be the youngest student to finish the 39th class of the command staff tactics school. He was a major when he went off to the war and headed a motorized brigade of the Guards and just two months later, on Sunday evening of 24 November of last year, he returned at the head of a brigade column excitedly cheered by the people of Belgrade. Although at one time he swore that he would move the front "all the way to the line and the point where the population awaits us as friends," these days, on the anniversary of the "liberation" of Vukovar, he shouted to those celebrating freedom: "This is Yugoslavia, this is Serbia, this is Montenegro." He spoke on behalf of the Army of Yugoslavia. Without disgust.

History, which sometimes behaves like life's stepmother, will not record that Major Sljivancanin's men captured the notorious Brsadin silo. His role, more precisely the role of his special forces, has been deliberately kept quiet in favor of certain other episodes whose purpose was to demonize every foreign influence. Sincere and decisive, which he truly is, Maj. Sljivancanin was an essential cog in the machinery of the JNA, which was preparing an explosive media campaign to justify its method of resolving the political conflict. Those people are rare, for instance, who recall that Sljivo ever mentioned the five "Croats of mine," soldiers who died under his command, or, let us go to the extreme, that he "escorted" a certain Cyrus Vance, but there is practically no one who knows how to operate a remote control who does not know about the threat that he would "throw into the Vuka" the representative of the International Red Cross, reminding him: "Mister, don't you know there is a war going on here?"! Or that before Nicholas Borsinger, saying that he was not welcome in his country, Sljivo had also escorted out Robert Michel, leader of the "all the world's doctors" international convoy. The Army did not release to the friendly media the tape of the beginning of the conversation in which Sljivancanin offered Michel to stay on Durmitor for a month free of charge "to see some of the other sights." Incidentally, Robi accepted!

Nevertheless, the media made the greatest use of Veselin's talks with Mile "Hawk" Dedakovic. Gladly communicating with the Croatian Army over all eight channels, Sljivo learned over his Motorola walkie-talkie that his "Ustasha" nickname was Radoje. "I will send you all down the Danube," was the message he received from "Hawk," a former colleague who was trained in Mostar. On one occasion, when Dedakovic said of him that he "lives in the cornfield and eats corn like a hog," Sljivancanin "gave as good as he got" with the following sentence: "I belong to a people who ate beech bark in the last war, but survived and triumphed over a superior enemy." The retort was this: "It is evident that you ate beech, that is why you are a blockhead." Then Vukovar fell, and the newspapers quoted Sljivo: "In the course of the day, we have been

killing those Ustashi who have come upon us, you understand. It is war. But it is shameful that we have been unable to find a common language, but have to destroy a city which is beautiful and we are destroying a population which is innocent"! He complained that the Croats called him "a Montenegrin dog" and that "Hawk" had said he hoped his "children would go wrong"!

Future generations will certainly look into Sljivancanin's entire opus, make a list of the examples and sources, analyze the time in which he was active, and then, this is a soldier's fate, skip over him as an indifferent fact of the current politics of a particular period. However, Mr. Franjo Tudjman (Was he a general?) is these days shouting, in connection with the "fall" or "liberation" of Vukovar, it makes no difference at all: "Our concern is to get back Vukovar, the symbol of Croatian resistance, and all the other occupied towns." More than a "symbol of the triumph of the JNA in Vukovar," Veselin Sljivancanin is a soldier! Taken together with his name, there are no two ways about it, this is not a noun lacking a verb, a status symbol, or anything else.... It signifies above all the action which is determining our, not his—destiny!

What to do, then, to reconcile the two "symbols"—"the victory of the JNA" and "Croatian resistance"?

Reaction of Economists, Businessmen to Devaluation

Economists' Reaction

93BA0271F Belgrade *POLITIKA* in Serbo-Croatian
17 Nov 92 p 11

[Article by A.C.K.: "Reaction of Economists and Businessmen to Devaluation: Neither Good nor Bad"]

[Text] At the behest of the Federal Government, a devaluation has taken place. How have businessmen reacted to it, how has it been perceived by monetary experts, and in what way are economists explaining it?

Judging from a TANJUG survey, the shared assessment is that under blockade conditions, no one loses and no one wins. If Yugoslavia had a high level of exports and imports, the change in the exchange rate of the dinar would have more significant consequences in favor of exporters.

The effect of the devaluation, according to Dejan Jovovic, an adviser to the Federal Ministry of Finance, is more psychological than economic. It is a good solution for old savings depositors, but it is short-winded because the black-market rate of foreign exchange is already on the rise as well.

For Dragana Gnjatovic, an adviser to Dobrica Cosic on monetary policy, the devaluation of the dinar is only an adjustment to the de facto situation, whereby the NBJ [National Bank of Yugoslavia] should be completely autonomous in establishing monetary policy, but also responsible to the Federal Assembly. Dragana Djuric of the Economic Institute in Belgrade says that she does not see the purpose of the devaluation, because the so-called black-market rate is also rising, and devaluating the dinar cannot help but have an effect on inflation.

According to Petar Radenovic, the devaluation will also have a detrimental effect on business in the transportation sector. The federal minister of transportation believes that because of the settlement of the foreign debt and the impossibility of offsetting that claim with foreign-exchange accruals, this will cause an increase in transportation costs for companies and an accumulation of losses.

The move is not of major importance to our economic trends, says Aleksandar Lakovic, the general manager of "21 May" in Rakovica. It would be a different story if we had imports and exports. Despite the fact that the devaluation has caused a jump in prices, says Milan Njegomir, the director of the Federal Fund for Cattle Breeding, he welcomes it. There is no justification whatsoever for administratively maintaining the utterly untenable exchange rate of 200 dinars to the dollar.

The fall of the dinar will be reflected negatively in tourism, especially domestic tourism, according to Slavka Nedeljkovic, the president of the Tourist League of Serbia, while Rajko Radulovic, the manager of "Energoprojekt" in Belgrade, says that because of the devaluation those who manage to import anything will now have to set aside more for customs.

Since the devaluation has not had any significant effects on the export economy burdened by the blockade, says Branislav Vujinovic, the president of the Economic Chamber of Belgrade, concrete measures by the Federal Government are expected.

[Box, p 11]

New Boost in Inflation

"Looking solely and exclusively at the economic consequences of the latest devaluation of the dinar, I must say—no matter how harsh this may sound—that this is a cabinet maneuver through which monetary policy is transformed from a shock absorber to a generator of inflation." This is the definite assessment of Radomir Tesic, the manager of the "Bajinovac" enterprise in Bajina Basta.

The manager of "Bajinovac" explains his assessment by recalling that under conditions of an international blockade, all of our attention should be focused on importing essentials so that we can somehow survive the sanctions imposed on us, both as an economy and as citizens. Thus, it should be our goal that any imports that are making it through—thanks to the resourcefulness of importers—be as cheap and proportionate to our ever-lower standard of living as possible. Because of the latest devaluation, our interlocutor says, even where there are no imports, the more expensive foreign exchange will mean a heavier customs burden.

Another consequence of the devaluation, in manager Tesic's view, will be a further rise in the value of foreign exchange on the black market: In the past, a leveling out of exchange rates has never succeeded in restraining the black-market rate, and now too the rates on the black market will only rise, which will once again stoke inflation. But the worst thing is that many prices will "shift" toward the value of foreign exchange.

—S.C.

Bankers' Reaction

93BA0271G Belgrade *POLITIKA* in Serbo-Croatian
17 Nov 92 p 11

[Article by B. Dumić: "Payment of Old Foreign-Exchange Savings According to New Exchange Rate: Neither Instructions nor Dinars"]

[Text] *As of yesterday afternoon, commercial banks had not received the new official list of exchange rates according to which they could pay out, in dinars, the equivalent of 150 German marks.*

Yesterday, the first business day after the announcement of the devaluation, old foreign-exchange savings depositors—who were probably the only ones happy about the move—were unable to withdraw the dinar equivalent of their enslaved foreign exchange at bank windows according to the new, higher exchange rate. The reason: As of yesterday afternoon, commercial banks had not received the new official list of exchange rates according to which they could pay out the savings.

However, bankers do not expect only instructions immediately after the devaluation decision, which was reached over night, but also that the National Bank of Yugoslavia [NBJ] will establish for the banks conditions for the redemption of old foreign-exchange savings by guaranteeing 100 percent of the amount of the savings redeemed at no interest or with minimal interest. Because only under that condition, banks contend, will they be able to solve the problem of old foreign-exchange savings.

"If we do not have the support of the NBJ, meaning money to service the old foreign-exchange savings, then we will not even be able to pay citizens, in cash, the dinar equivalent of 150 marks either," says Miomir Spasić, the general manager of "Slavija Bank."

Given the amount of dinars that will be necessary (more than three times as much) to pay out on the basis of the old foreign-exchange savings, the devaluation has contributed nothing to stabilizing commercial banks. On the contrary, Mr. Spasić says, their situation is only more difficult.

"If there is a major outflow of money because of the old savings, because of the 'flood' of dinars, then the rate on the black market for foreign exchange will jump even higher. That is why the devaluation is not a good decision," Mr. Spasić contends, "not even for the old foreign-exchange depositors."

Officials at the "Credit Bank of Belgrade" [KBB] are ready to pay citizens the cash dinar equivalent of 150 marks in old savings, but only when they get the cash. "We have money in the account, but we have not gotten any cash from the SDK [Public Auditing Service] for several days now, and we are experiencing major problems because of this, since depositors grow angry at our windows and threaten us every day," says Slobodan Corković, the head of public affairs for KBB.

The familiar problem—the shortage of cash—is also bothering other commercial banks, including "JIK" Bank. According to Aleksandar Milicević, the assistant general

manager, despite requests, that bank had not gotten any cash since last Wednesday. "If we do not get any soon, we will have to pay depositors dinars from old savings in checking accounts," Mr. Milicević adds.

At "Investbank" as well, major pressure is expected from old foreign-exchange depositors, but according to Bogoljub Maksimović, the assistant general manager, there is not enough cash to accommodate everyone. "We must first recalculate, and so we ordered our office to figure out what the effect would be of using liquid assets to pay out dinars for old savings," Mr. Maksimović says.

At the "Vojvodina Bank," according to what executive director Marinko Krejić told TANJUG in Novi Sad, it is expected that the Central Bank will establish for commercial banks conditions for the redemption of old foreign-exchange savings such that it guarantees the full amount at no interest or with minimal interest.

Mr. Krejić is otherwise of the opinion that the devaluation will only increase the customs base and bring the exchange rate of old savings closer to the real, market rate. Only the state, through customs duty—if there is any—and foreign-exchange depositors will gain from this devaluation.

Investbank President on Changes in Banking

93BA0280D Belgrade *BORBA* in Serbo-Croatian
19 Nov 92 p 11

[Interview with Dr. Stojan Dabić, president of Investbanka D.D., by Dara Vučinić and Jasna Kesić; place and date not given: "Everywhere Form, Never—Reform"]

[Text] From 1862, when the first financial institution was established in Serbia—the Government Fund Administration—up until 1946, it went through only one transformation to become the Government Mortgage Bank, and then after the liberation (that is, after World War II, if some prefer it that way), it grew to become the Government Investment Bank. So in 84 years—one organizational change. During the 46 years after that, that same banking system went through no fewer than 13 transformations.

With these words, Dr. Stojan Dabić, president of the oldest Serbian banking institution—Investbanka D.D. [joint-stock company]—meant to say in a recent meeting of Yugoslav bankers concerning (yet another) "addition to the banking system in an open market economy" that the past (and present) period of socialism had instead of real reforms practiced only a change of form. Cynics would say: "Pouring from the hollow into the empty."

[BORBA] As far as we recall, every new government (although it was practically the same) immediately adopted a new law on the banks without fail.

[Dabić] And on that day everything unfailingly began all over from the beginning: preparation of detailed studies, transformation of the existing independent banks into branches of certain imagined large systems, and so on, and then in the next reappointment period "Finnegan, begin

again." The branches are becoming independent banks, or, as we popularly refer to this today, holding systems are being formed.

[BORBA] The last transformation, as far as we know, signified an integration of the banks. Did that change anything, at least in form?

[Dabic] The complete absurdity of a policy of edicts was only proven once again. Even though the specialists pointed out that neither the technical and technological aspects, nor the personnel, nor the atmosphere had been brought about for that kind of transformation, that integration was carried out. And what happened was what had to happen: In less than a year, the merger fell apart into two bank-holding systems. Their destiny is completely uncertain under the proposed version of the new law on the banks and the way relations have developed with the systems themselves. Exactly like it was 50 years ago, instead of turning the most creative personnel toward improving business operation and adaptation to the new conditions, they are constantly wasting valuable time on futile organizational matters.

[BORBA] Our economic entities are still pursuing all of their requirements through the commercial banks. Which means that these banks are exceedingly essential, because the economy is overindebted, is it not, and because the banks have not been honoring the criteria of market-oriented business operation in which they extend credits only to those who are creditworthy and promising, not to perpetual losers.

[Dabic] That impression of the importance of those banks is only an appearance. By contrast with the rest of the market-oriented world, in our context in which a political oligarchy is infallible, they are constantly proclaimed to be the duty perpetrators blamed for countless political and economic mistakes. Because leaders have to be "kicked upstairs," it has always been important to identify the guilty party for the sake of public opinion. The banks were the guilty party. Because the guilty party presumably must also be punished, the punishment, as I have said, was called reorganization. Rationale: the banks had become alienated centers of power. They had to be decentralized and cut down to size. In the next "round" of mistaken political decisions or the next reappointment of the government, the rationale would be the same, only reversed: flows of capital had been broken up and subject to the influence of local factors. The banking mechanisms, then, needed to be consolidated.

[BORBA] You have said that public-government banks, mixed banks, and private banks can complement one another through healthy competition. What are the pre-conditions?

[Dabic] The so-called large, old banks must begin to engage in commercial banking, and the new ones must begin to respect the regulations. The NBJ [National Bank of Yugoslavia] adheres very strictly to the regulations when it comes to the public institutions, but it often skirts around the private ones. And there is more. The commercial banks have to free themselves of the legacy of the past, that is, of

the foreign exchange savings. The government should have clearly told individuals that their savings deposits denominated in foreign exchange are the same as foreign debt; that there is no money to repay them now, because from the liberation up to the present day they have been spent to pay off foreign loans. Individuals must not lose that foreign exchange, but it is dishonest for the government and the politician to issue a phony order to the commercial banks to pay those savings, when they know very well they do not have a source from which to do that.

[BORBA] In your opinion, what should a real market reform of Yugoslav commercial banking look like?

[Dabic] First, the commercial banks must be more involved in the purchase and sale of receivables and must keep pace more directly with private firms by furnishing them both credit and advice. Second, they must equip themselves to take over the main role of middlemen on the securities market. That role should begin with defining the decision to issue stock together with the issuer and go all the way to active intermediary services as brokers and dealers on secondary markets. And then a customer service department must be developed with a range of services from credit to moving into housing. In the credit business, the transition should be made more and more to mortgages when it comes to long-term credit financing and collateral loans when it comes to short-term credit financing, etc.

[BORBA] How is the capital invested in the socialized banks, the so-called old or large banks, to be preserved?

[Dabic] Here again, we have been "original" and invented revaluation. Up to now, the problem is what to do with it, above all how to keep track of it in accounting? Because there certainly is no commercial bank which can cover its current operations on a pay-as-you-go basis, replenish its funds, and at the same time cover revaluation. Especially because gross positive exchange-rate differences have been incorporated into the bank's revenues and constitute the basis for setting aside income for revaluation reserves. If in addition to that there should be a change in the official exchange rate and that should bring about immense new costs, no bank and no economy could cover that. So, only those changes about which I spoke before can result in success, which will never come from new organizational forms.

[Box, p 11]

Difficulties With Shares Made Out to a Particular Person

In the issuing of shares of stock, especially in the "second round," Dr. Dabic said, it is a great difficulty that they are usually made out to someone in particular. I do not know why. Probably someone did it first, not knowing how these things are done in the world, and the rest just copied him one after the other.

But when a share of stock is made out to someone in particular, it is hard to trade it. The change of owner must be recorded on every share and a large amount of printing paper prepared. Instead of that, it would be far better for the shares to be made out to the bearer. Then the entire issue is not printed, but instead the bank issues a certificate

to whoever desires it, and it itself concerns itself with what is more important—managing securities as a portfolio of work organizations, and so on.

[Box, p 11]

Privatization—Hit Tune of the Season

The hit tune of this season, as everyone knows, is privatization. Because they are old, the socialized banks are to be liquidated and are to turn over their business to newly established young, healthy, private banks. Fine, says Dr. Dabic, that is also being done in the rest of the world. There is no reason why it should not be done in our country as well. Just not this way. In the rest of the world, those banks complement one another. And they compete, of course, which is good. For that matter, even in the old Yugoslavia, in addition to the two large ones, there were 819 medium-sized and small private banks, and no one got in anyone else's way.

But what are our private and state banks today? Even the latter were transformed even earlier into joint stock companies with the capital of socialized and private enterprises and natural persons. The public money is in them, to be sure, it was predominant, but as the transformation of the ownership structure continues, it moves more and more to the benefit of private stockholders. The banks, then, ought to be divided exclusively into large ones and small ones. Incidentally, if the law were strictly respected, none of those private or so-called healthy mixed banks would be able to extend credit to any major public or private firm.

After all, of the 106 banks in Yugoslavia, the old ones, that is, the socially owned and state-owned banks, number only 42, but today they account for 90 percent of the credit potential. Establishment of a development strategy in the expectation that those 10 percent of the funds in private and semiprivate banks—even though proper banking professionals are working in some of them—will be able to set in motion the wheel of the country's private development is an utter mistake. The solution, then, must be sought in establishing the law-governed state and changes in the content of work throughout the banking industry—both public and private.

Control of Dafiment, Jugoskandik Banks Proposed

93BA0292C Belgrade *POLITIKA* in Serbo-Croatian
24 Nov 92 p 15

[TANJUG report: Response to Deputy's Question in Federal Republic of Yugoslavia Assembly: Control Over Dafiment Bank and Jugoskandik Soon"]

[Text] The Federal Government has recommended to the National Bank of Yugoslavia [NBJ] that, within the framework of its authorities, it exercise control over large private banks, especially Dafiment Bank and Jugoskandik.

The Federal Government has ordered the Federal Foreign-Exchange Inspectorate to exercise control over the banks in question—this was the essence of the response by the office of Milan Panic to a question by deputy Milos Urosevic at a session of the Chamber of Republics on 29 October of this year.

He asked the Federal Government whether the business dealings of private banks are legal, or rather whether the way in which foreign exchange is acquired by Jugoskandik and Dafiment Bank is legal, banks that are foreign legal and physical persons-stockholders, and with how much investment, and whether the stockholders or employees of those two banks include officials appointed or chosen by the NBJ, the national banks of Montenegro and Serbia, and the state agencies of Yugoslavia from those two republics. Deputy Urosevic was especially interested in whether the competent state institutions were exercising control over these banks and what the result of that control was.

In its response, the Federal Government referred to the special authorities of the NBJ, national banks of the republics and provinces, and other financial institutions established by law, as well as to the prescribed measures that are applied to banks and other financial institutions.

The Federal Government also noted the legal obligation of the NBJ to report to the Federal Assembly twice a year concerning the controls exercised and the measures undertaken.

At the same time, in accordance with regulations, the republic control institutions have the authority to control the financial-material business dealings of those banks.

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12 January 1993

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